

SENATE BILL NO. 466

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 4/10/92
Referred: Resources, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act creating the Exxon Valdez Oil Spill Restoration Endowment; providing for the
2 financing of oil spill restoration projects; and providing for an effective date."

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

4 * Section 1. AS 46 is amended by adding a new chapter to read:

5 CHAPTER 05. RESOURCE RESTORATION ENDOWMENT.

6 Sec. 46.05.010. ENDOWMENT ESTABLISHED. (a) The Exxon Valdez Oil Spill
7 Restoration Endowment is established as a special trust fund and public enterprise of the state.

8 (b) The purpose of the endowment is to provide financing for restoration projects.

9 Sec. 46.05.020. TRUSTEE ADVISORS, QUORUM, AND DUTIES. (a) The
10 endowment is managed and administered by the state trustee advisors consisting of the attorney
11 general, the commissioner of natural resources, the commissioner of environmental conservation,
12 and the commissioner of fish and game.

13 (b) The trustee advisors shall elect a chairperson and a secretary from its members. The
14 terms of the chairperson and the secretary shall not exceed two years.

1 (c) A majority of the trustee advisors constitutes a quorum for the transaction of business.

2 (d) By December 15 of each year, the trustee advisors shall provide the legislature with
3 a proposal for the expenditure of income from the endowment for the next fiscal year.

4 Sec. 46.05.040. ESTABLISHMENT AND INVESTMENT OF ENDOWMENT. (a) The
5 Exxon Valdez Oil Spill Endowment consists of money appropriated by the legislature to the
6 endowment for the benefit of resources injured as a result of the Exxon Valdez oil spill. The
7 legislature may appropriate an amount equal to the restitution made to the state under the
8 approved criminal plea agreement between the United States and Exxon Shipping Company and
9 Exxon Corporation (United States of America v. Exxon Corporation and Exxon Shipping
10 Company, United States District Court, District of Alaska, case No. A90-015 CR), plus interest
11 accrued on that amount while those payments were in the possession of the state treasury.

12 (b) The endowment shall be held and invested by the Department of Revenue subject to
13 AS 37.10.071. However, income from the endowment shall be distributed under this chapter.

14 Sec. 46.05.050. FINANCES. (a) Income of the endowment may be pledged by the state
15 trustee advisors to finance a restoration project. A pledge under this subsection is subject to
16 appropriation by the legislature.

17 (b) An obligation incurred in connection with the financing of a restoration project from
18 the endowment is not an obligation or other liability of the state or of a political subdivision of
19 the state, but is payable solely from the income of the endowment.

20 (c) The faith or credit of the state of a political subdivision of the state, may not be
21 pledged to the payment of an obligation incurred by the trustee advisors in connection with
22 financing a restoration project from the endowment. An obligation made for a restoration project
23 funded by the endowment does not directly, indirectly, or contingently obligate the state or a
24 political subdivision of the state to apply money from, or levy or pledge any form of taxation to
25 the payment of the obligation.

26 (d) In addition to endowment income, the endowment may receive gifts, grants, and other
27 aid. The endowment may accumulate income, gifts, grants, and other aid from any year and
28 distribute them in a later year.

29 Sec. 46.05.060. PLEDGE OF THE STATE. The state pledges to and agrees with a
30 person who holds a contractual obligation incurred for a restoration project funded by the
31 endowment under this chapter that the state will not in any way impair the rights and remedies

1 of the contract holders until the obligations under the contract are fully met and discharged.
2 This pledge of the state may be included in a contract to finance a restoration project financed
3 by the endowment.

4 Sec. 46.05.070. DEFINITIONS. In this chapter,

5 (1) "endowment" means the fund established in AS 46.05.040;

6 (2) "restoration project" means a project relating to the restoration of resources
7 injured as a result of the Exxon Valdez oil spill that occurred March 24, 1989 and includes
8 restoration, replacement, and enhancement of affected resources, acquisition of equivalent
9 resources and services, and long-term environmental monitoring and research program directed
10 to the prevention, containment, cleanup, and amelioration of oil spills.

11 * Sec. 2. This Act takes effect July 1, 1992.