

2d SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 10
IN THE LEGISLATURE OF THE STATE OF ALASKA
EIGHTEENTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES DAVIDSON, Brown, Nordlund

Introduced: 4/2/93

Referred: State Affairs, House Special Committee on Oil and Gas, Resources, Finance

Funding Information:	General Fund	\$ - 0 -
	Other Funds	<u>49,990,000</u>
		\$49,990,000

A BILL

FOR AN ACT ENTITLED

1 "An Act making appropriations for restoration projects relating to the Exxon
2 Valdez oil spill; and providing for an effective date."

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

4 * Section 1. FINDINGS. The Eighteenth Alaska State Legislature finds that
5 (1) Under the criminal plea agreement between the United States and Exxon
6 Corporation and Exxon Shipping Company (United States of America v. Exxon Corporation
7 and Exxon Shipping Company, United States District Court, District of Alaska, case No. A90-
8 015 CR.), the State of Alaska received \$50,000,000 as "remedial and compensatory payments."
9 The payments received by the state "are to be used by the State of Alaska . . . exclusively for
10 restoration projects, within the State of Alaska, relating to the 'Exxon Valdez' oil spill.
11 Restoration includes restoration, replacement and enhancement of affected resources,
12 acquisition of equivalent resources and services, and long-term environmental monitoring and
13 research programs directed to the prevention, containment, cleanup and amelioration of oil
14 spills."

1 (2) The expeditious appropriation of remedial and compensatory payments for
2 the acquisition and protection of high value resources and services and action on
3 appropriations for additional restoration, replacement, and enhancement activities will provide
4 interim protection needed to allow the Exxon Valdez Restoration Trustee Council time to
5 develop a systematic restoration plan. The appropriations made by this Act complement the
6 process being established by the Exxon Valdez Restoration Trustee Council.

7 (3) As stated by the United States Department of Justice in recommending that
8 the United States District Court accept the criminal plea agreement, "[t]his oil spill was a
9 catastrophe, and it was also an environmental crime. The criminal remedy should, likewise,
10 in substantial part, be environmental in nature; . . . The environment, as a victim, must be
11 aided quickly through efforts funded by restitutionary payments."

12 (4) The health of damaged coastal and near-shore habitats is substantially
13 related to activities on adjacent uplands. Economically important fish species, including
14 herring and halibut, utilize near-shore areas, and anadromous species, including five species
15 of salmon, rely on continued access to both clean streams and unpolluted estuaries for
16 spawning and rearing.

17 (5) Sea otter pups are particularly dependent on pristine water quality, a
18 productive near-shore and shallow subtidal ecosystem, and a disturbance-free environment.

19 (6) Populations of aquatic birds, including the tree-nesting marbled murrelet
20 and bald eagle and the fresh water nesting species such as harlequin ducks, were severely
21 damaged by the Exxon Valdez oil spill.

22 (7) Recreational, aesthetic, and subsistence services provided by the prespill
23 environment were severely damaged. Residents who relied upon these services desire to have
24 these damaged services replaced through the acquisition and retention of comparable
25 threatened resources.

26 (8) The quality of fresh water entering the estuarine environment is critical to
27 satisfactory restoration and recovery of the physical and biotic environment in the region
28 affected by the Exxon Valdez oil spill.

29 (9) Recovery of the coastal estuaries affected by the Exxon Valdez oil spill is
30 placed at risk by further environmental stress resulting from timber harvesting and other
31 industrial activities that involve substantial environmental disturbance. In order to minimize

1 the potential for further environmental stress and to encourage and enhance the natural
2 recovery and restoration of the affected region, acquisition of coastal related uplands in the
3 affected region, including Prince William Sound, the Kenai Peninsula, the Kodiak
4 Archipelago, and adjacent biologically related areas, is an important use of "remedial and
5 compensatory payments" received by the state under the criminal plea agreement.

6 (10) Continued citizen involvement and education of residents and nonresidents
7 are essential to the expeditious and effective restoration of the areas affected by the Exxon
8 Valdez oil spill, and to the prevention of future oil spills and the restoration of public
9 confidence in the ability of the state to protect the environment.

10 * Sec. 2. In order to achieve the purposes of the remedial and compensatory payments, the
11 sum of \$5,000,000 is appropriated from the remedial and compensatory payments to the
12 Department of Fish and Game for restoration, replacement, and enhancement of fisheries
13 resources within the Prince William Sound region.

14 * Sec. 3. In order to achieve the purposes of the remedial and compensatory payments, the
15 sum of \$11,000,000 is appropriated from the remedial and compensatory payments to the
16 Department of Natural Resources for the acquisition from willing sellers of land and
17 development rights in land and resources in the Prince William Sound region.

18 * Sec. 4. In order to achieve the purposes of the remedial and compensatory payments, the
19 sum of \$1,000,000 is appropriated from the remedial and compensatory payments to the
20 Department of Fish and Game for restoration of subsistence resources and services within the
21 Prince William Sound region.

22 * Sec. 5. In order to achieve the purposes of the remedial and compensatory payments, the
23 sum of \$700,000 is appropriated from the remedial and compensatory payments to the
24 Department of Environmental Conservation for payment as a grant under AS 37.05.316 to the
25 Prince William Sound Science Center for facility renovation, long-term damage assessment
26 and aquatic ecosystem monitoring, and development of an ecosystem database using a
27 geographic information system for the greater Prince William Sound ecosystem.

28 * Sec. 6. In order to achieve the purposes of the remedial and compensatory payments, the
29 sum of \$200,000 is appropriated from the remedial and compensatory payments to the
30 Department of Administration for payment as a grant under AS 37.05.315 to the City of
31 Whittier toward replacement of the municipal incinerator damaged as a result of the 1989

1 **Exxon Valdez oil spill.**

2 * **Sec. 7.** In order to achieve the purposes of the remedial and compensatory payments, the
3 sum of \$90,000 is appropriated from the remedial and compensatory payments to the
4 Department of Administration for payment as a grant under AS 37.05.316 in equal amounts
5 over three years to radio station KCHU for public service reporting on oil pollution and
6 activities related to the 1989 Exxon Valdez oil spill.

7 * **Sec. 8.** In order to achieve the purposes of the remedial and compensatory payments, the
8 sum of \$7,000,000 is appropriated from the remedial and compensatory payments to the
9 Department of Natural Resources for the purchase of the inholdings of the Seldovia Native
10 Association and of the Timber Trading Company, within the Kachemak Bay State Park as
11 identified in the Preliminary Exchange Agreement dated June 30, 1989, as amended as of the
12 effective date of this Act, between the state, the Seldovia Native Association, and the Timber
13 Trading Company; and for the purchase of the inholdings of the Cook Inlet Region, Inc.,
14 within Kachemak Bay State Park.

15 * **Sec. 9.** In order to achieve the purposes of the remedial and compensatory payments, the
16 sum of \$3,500,000 is appropriated from the remedial and compensatory payments to the
17 Department of Fish and Game for the restoration, replacement, and enhancement of the
18 fisheries resources along the coast of the Kenai Peninsula.

19 * **Sec. 10.** In order to achieve the purposes of the remedial and compensatory payments,
20 the sum of \$3,000,000 is appropriated from the remedial and compensatory payments to the
21 Department of Natural Resources for the acquisition of development rights or conservation
22 easements in aquatic, wetland, and riparian areas important to the maintenance of important
23 commercial and sport fish populations within the Kenai River watershed, in consultation with
24 the Cook Inlet Aquaculture Association.

25 * **Sec. 11.** In order to achieve the purposes of the remedial and compensatory payments,
26 the sum of \$800,000 is appropriated from the remedial and compensatory payments to the
27 Department of Fish and Game for an oyster spat hatchery within the Kenai Peninsula Borough
28 that is capable of providing oyster spat for aquatic farms throughout the state.

29 * **Sec. 12.** In order to achieve the purposes of the remedial and compensatory payments,
30 the sum of \$500,000 is appropriated from the remedial and compensatory payments to the
31 Department of Administration for payment as a grant under AS 37.05.315 to the City of

1 Seward for development of the Alaska Sea Life Center for work associated with endangered
2 species in the region affected by the 1989 Exxon Valdez oil spill.

3 * Sec. 13. In order to achieve the purposes of the remedial and compensatory payments,
4 the sum of \$1,000,000 is appropriated from the remedial and compensatory payments to the
5 Department of Natural Resources for the acquisition from willing sellers of land and
6 development rights in land that is important as fisheries habitat on the outer coast of the Kenai
7 Peninsula between Seldovia and Seward.

8 * Sec. 14. In order to achieve the purposes of the remedial and compensatory payments,
9 the sum of \$200,000 is appropriated from the remedial and compensatory payments to the
10 Department of Administration for payment as a grant under AS 37.05.315 to the City of
11 Soldotna for erosion control and rehabilitation of Centennial Park from the effects of excessive
12 public use as a result of the 1989 Exxon Valdez oil spill.

13 * Sec. 15. In order to achieve the purposes of the remedial and compensatory payments,
14 the sum of \$9,000,000 is appropriated from the remedial and compensatory payments to the
15 Department of Natural Resources for the acquisition from willing sellers of land and
16 development rights in land on Afognak Island.

17 * Sec. 16. In order to achieve the purposes of the remedial and compensatory payments,
18 the sum of \$3,000,000 is appropriated from the remedial and compensatory payments to the
19 University of Alaska, Fairbanks, Fishery Industrial Technology Center, for design and
20 construction of a fishery technology and research facility.

21 * Sec. 17. In order to achieve the purposes of the remedial and compensatory payments,
22 the sum of \$1,000,000 is appropriated from the remedial and compensatory payments to the
23 Department of Fish and Game for the acquisition from willing sellers of land, leases, or
24 development rights in land at weir sites important to anadromous fisheries in the Kodiak
25 Archipelago.

26 * Sec. 18. In order to achieve the purposes of the remedial and compensatory payments,
27 the sum of \$2,000,000 is appropriated from the remedial and compensatory payments to the
28 Department of Environmental Conservation for a volunteer citizen oil spill cleanup program
29 for areas that are still visibly affected by the 1989 Exxon Valdez oil spill.

30 * Sec. 19. (a) In order to achieve the purposes of the remedial and compensatory
31 payments, the sum of \$1,000,000 is appropriated from the remedial and compensatory

1 payments to the Department of Natural Resources for contracts to assess, inventory, and map
2 the archeological resources of the area affected by the Exxon Valdez oil spill.

3 (b) It is the intent of the legislature that contractors employed under (a) of this section
4 agree to comply with federal and state laws, including the Archeological Resources Protection
5 Act of 1979 (16 U.S.C. 470aa - 470ll) and AS 41.35.010 - 41.35.240, and the terms and
6 conditions of the consent decree entered by the United States District Court in Native Village
7 of Chenega Bay v. United States and State of Alaska, United States District Court, District
8 of Alaska, case No. A91-454 Civ.

9 * Sec. 20. In this Act, "remedial and compensatory payments" means the remedial and
10 compensatory payments received by the state under the criminal plea agreement between the
11 United States and Exxon Corporation and Exxon Shipping Company in United States of
12 America v. Exxon Corporation and Exxon Shipping Company, United States District Court,
13 District of Alaska, case No. A90-015 CR.

14 * Sec. 21. The appropriations made by secs. 2, 4, 5, 7, 9, 12, 18, and 19 of this Act lapse
15 into the fund from which they were appropriated June 30, 1997.

16 * Sec. 22. The appropriations made by secs. 3, 6, 8, 10, 11, and 13 - 17 of this Act are for
17 capital projects and lapse under AS 37.25.020.

18 * Sec. 23. This Act takes effect immediately under AS 01.10.070(c).