

**CS FOR HOUSE JOINT RESOLUTION NO. 49(RES)
IN THE LEGISLATURE OF THE STATE OF ALASKA
EIGHTEENTH LEGISLATURE - SECOND SESSION**

BY THE HOUSE RESOURCES COMMITTEE

Offered: 1/26/94

Referred: Rules

Sponsor(s): REPRESENTATIVE GREEN

A RESOLUTION

1 **Requesting the United States Department of the Interior to adopt regulations that**
2 **give a narrow interpretation to certain definitions under the Oil Pollution Act of**
3 **1990 relating to evidence of financial responsibility that must be shown by**
4 **offshore facilities.**

5 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 **WHEREAS** the Oil Pollution Act of 1990 has been interpreted to require offshore
7 facilities operating on most surface water and adjacent wetlands to maintain evidence of
8 financial responsibility in the amount of \$150,000,000; and

9 **WHEREAS** the federal definition of "wetlands" includes virtually all nonmountainous
10 areas in Alaska; and

11 **WHEREAS** the Act defines "offshore facility" to include a structure, equipment, or
12 device, other than a vessel or deep water port, used for the purpose of exploring for, drilling
13 for, producing, storing, handling, transferring, processing, or transporting oil in, under, or on
14 any United States navigable or territorial water; and

15 **WHEREAS** the Act defines "facility" to specifically include motor vehicles, rolling
16 stock, and pipelines; and

1 **WHEREAS** the Alaska State Legislature is concerned that, without further
2 clarification, these definitions might be interpreted in regulations so that "offshore facilities"
3 include marinas, port facilities, utility companies, gasoline filling stations, trucking companies,
4 railroads, refineries, airports, farms, fishing boats and tenders, manufacturing plants, storage
5 tanks, and pipelines, no matter how tangentially related to offshore oil exploration or
6 production; and

7 **WHEREAS** this kind of interpretation would be much broader than appears to have
8 been intended by the Congress when it established financial responsibility requirements for
9 offshore facilities; and

10 **WHEREAS** implementation of a \$150,000,000 financial responsibility requirement on
11 offshore facilities under a broad interpretation of the regulations would have a significantly
12 adverse effect on Alaska villages and municipalities and would probably devastate the
13 economy of Alaska; and

14 **WHEREAS** the Department of the Interior did not hold hearings in Alaska on the
15 proposed regulations;

16 **BE IT RESOLVED** that the Alaska State Legislature respectfully urges the
17 Department of the Interior to interpret the definitions of "navigable waters," "offshore facility,"
18 and "responsible party" in the financial responsibility regulations of the Oil Pollution Act as
19 narrowly as practicable; and be it

20 **FURTHER RESOLVED** that the Department of the Interior should propose to the
21 Congress appropriate amendments to the Oil Pollution Act if narrowing regulations are not
22 sufficient to protect the environment without inflicting extreme economic hardships; and be
23 it

24 **FURTHER RESOLVED** that the Department of the Interior should hold hearings in
25 Alaska before adopting any regulations under the Oil Pollution Act of 1990.

26 **COPIES** of this resolution shall be sent to the Honorable J. Bennett Johnston, U.S.
27 Senator and Chair of the U.S. Senate Natural Resources Committee; the Honorable Bruce
28 Babbitt, Secretary of the Interior; Tom Fry, Director, Minerals Management Service, U.S.
29 Department of the Interior; and to the Honorable Ted Stevens and the Honorable Frank
30 Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of
31 the Alaska delegation in Congress.