

COMMITTEE REPORT  
SENATE

FURTHER:

4/16/84

Date 5/4/84

Mr. President

The Committee on FINANCE considered CSHB 680(L&C)

recovery and production of oil and natural gas; efd.

and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for \_\_\_\_\_
- new title
- same title and recommends \_\_\_\_\_
- and attached a "LETTER OF INTENT"  NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS

V. Fisher  
W. ...  
...  
...  
...  
...  
...

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Chairman  
Chairman recommendation

STATE OF ALASKA 1984 LEGISLATIVE SESSION  
FISCAL NOTE

*Fiscal Note  
bill into  
Committee*

*508113*

Revision Date: 3/22/84

Page 1 of 2

REQUEST  
Bill/Resolution No.: CSHB 680 (L&C)  
Title: Relating to the Alaska Oil  
and Gas Conservation Commission  
Sponsor: Governor  
Requestor: \_\_\_\_\_  
Date of Request: \_\_\_\_\_

FISCAL DETAIL  
Agency Affected: Commerce and Economic Development  
Program Category Affected: \_\_\_\_\_  
Protection  
BRU, Program or Subprogram(s) Affected:  
Oil and Gas Conservation Commission

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
<b>OPERATING</b>						
100 PERSONAL SERVICES		25.0	26.1	27.6	29.0	30.7
200 TRAVEL		88.0	90.4	90.4	90.5	90.3
300 CONTRACTUAL		9.5	--	--	--	--
400 SUPPLIES		0.5	0.5	0.5	0.5	0.5
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
<b>TOTAL OPERATING</b>		125.0	117.0	118.5	120.0	121.5
<b>CAPITAL</b>						
<b>REVENUE</b>						

FUNDING: (Thousands of Dollars)

GENERAL FUND		25.0	17.0	18.5	20.0	21.5
FEDERAL FUNDS		100.0	100.0	100.0	100.0	100.0
OTHER						
<b>TOTAL</b>		125.0	117.0	118.5	120.0	121.5

POSITIONS:

FULL-TIME		1	1	1	1	1
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis

Prepared By: Chat Chatterton Phone: 279-1433  
Division: Alaska Oil and Gas Conservation Commission Date: \_\_\_\_\_

Approved by Commissioner: Richard A. Lyon Date: 3/22/84  
Agency: Commerce and Economic Development

Distribution (by Agency preparing fiscal note):  
Legislative Finance  
Legislative Sponsor  
Requestor  
Office of Management and Budget  
Impacted Agency(ies)

12/1/8.

ALASKA OIL AND GAS CONSERVATION COMMISSION

CSHB 680(L&C) ANALYSIS Page 2 of 2

INTRODUCTION: The fiscal impact results solely from subsection (h) Section 1 of the Bill.

- Code 100 Are advised by Environmental Protection Agency (EPA) and by other states who have been delegated enforcement primacy by EPA that there is a substantial increase in the technical clerical workload. Accordingly request personnel services funding for a Clerk Typist III.
- Code 200 Field inspection requirements will nearly double the current level of trips to the field. Accordingly additional travel funding is required.
- Code 300 a) Contractual cost to prepare an application package to EPA for obtaining primacy is estimated to cost \$60,000 which will be expended in FY'84.
- b) A word processing machine will be obtained for the additional Clerk Typist III on a four year rental/purchase agreement.
- Code 400 Additional clerical supplies will be required for the new Clerk Typist III.
- Code 500 A one-time expenditure for office equipment (desk, chair, etc.) will be necessary in FY'85.

Offered: 3/9/84  
Referred: Resources and  
Finance

Original Sponsor: Rules/Governor

1 IN THE HOUSE

BY THE LABOR AND  
COMMERCE COMMITTEE

2

CS FOR HOUSE BILL NO. 680 (L&C)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act relating to the recovery and production of

7

oil and natural gas; and providing for an effective

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date."

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

10

\* Section 1. AS 31.05.030 is amended by adding a new subsection to

11

read:

12

(h) The commission may take all actions necessary to allow the

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state to acquire primary enforcement responsibility under 42 U.S.C.

14

300h-4 (Safe Drinking Water Act of 1974, as amended, 42 U.S.C. 300f -

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300j), for the control of underground injection related to the re-

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covery and production of oil and natural gas.

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\* Sec. 2. AS 31.05.035 is amended by adding a new subsection to read:

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(e) Notwithstanding (c) of this section, claims of confidential-

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ity will be denied for information disclosed to the commission under

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AS 31.05.030(h), that is required to be disclosed under 42 U.S.C.

21

300h-4.

22

\* Sec. 3. AS 31.05.170 is amended by adding a new paragraph to read:

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(14) "regular production" means continuing production of oil

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or gas from a well into production facilities and transportation to

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market, but does not include short term testing, evaluation, or exper-

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imental pilot production activities that have been approved by permit

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or order of the commission.

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\* Sec. 4. AS 46.03.100 is amended by adding a new subsection to read:

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(d) This section does not apply to injection projects permitted

1 under AS 31.05.030(h).

2 \* Sec. 5. This Act takes effect immediately in accordance with AS 01.-

3 10.070(c).

COMMITTEE REPORT  
SENATE

FURTHER: FINANCE

4/4/84

Date 4-13-84

Mr. President

The Committee on RESOURCES considered CSHB 680 (L&C)  
recovery and production of oil and natural gas; efd.

and (a majority of the committee) (the committee) reports it back with the following recommendations:

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- do pass with attached amendment(s)
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MEMBERS SIGNING  
DO PASS

William Sturgis  
3 pages  
Bill  
Bob Mulcahy

MEMBERS HAVING  
OTHER RECOMMENDATIONS

Debbie Fahrenkamp  
 Chairman  
Do Pass  
 Chairman recommendation

BILL SHEFFIELD  
GOVERNOR



680

STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

February 13, 1984

The Honorable Joe Hayes  
Alaska House of Representatives  
Pouch V  
Juneau, AK 99811

Dear Representative Hayes:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the Alaska Oil and Gas Conservation Commission. This bill would give the state the authority to assume control and regulation of injection wells associated with oil and gas production, such as salt water disposal or enhanced recovery of natural gas or oil. The U.S. Environmental Protection Agency currently has that authority. A 1980 amendment to the Safe Drinking Water Act (42 U.S.C. sec. 300f -- j) added a new sec. 300h-4 that would allow a state to obtain primary enforcement responsibility from the federal government for those portions of its Underground Injection Control program related to the recovery and production of oil and gas. Instead of imposing the existing federal regulatory requirement, sec. 300h-4 would give a state that authority if the state could demonstrate that it had an effective program to prevent underground injection which endangers drinking water sources. This bill would give the state that authority.

Sincerely,

A handwritten signature in cursive script that reads "Bill Sheffield".

Bill Sheffield  
Governor