

S B

261

HOUSE COMMITTEE REPORT

(9)

Date Referred: May 1, 1989

FURTHER REFERRALS: FINANCE

Date of Committee Action: 5-2-89

The RESOURCES Committee considered:

CSSB 261(FIN)

CS FOR SENATE BILL NO. 261 (Finance)

[OIL/HAZ. SUBST. CONTINGENCY PLANS]

"An Act requiring the Department of Environmental Conservation to prepare and to annually review and revise a master oil and hazardous substance discharge and prevention contingency plan for the state and regional oil and hazardous substance discharge and prevention contingency plans for certain regions of the state, and to the implementation of those plans; and providing for an effective date."

RECOMMENDATIONS:

- [] be replaced with _____ [] the same title
- [] _____ [] a new title
- [] have attached amendment(s)
- [] do pass
- [] do not pass
- [] no recommendation
- [] individual recommendations
- [] additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(s):
(Dept)

APPROVES PREVIOUS:

(Date/Dept)

- [] fiscal impact _____
- [] zero fiscal note _____
- [] zero with analysis _____

- [] fiscal note(s) DEC 4/27/89
- [] zero fiscal note(s) _____
- [] zero fn/analysis _____

SIGNING DO PASS:

SIGNING:

(Check approp. column)

Do Not
Pass No Rec Amend

Cliff Anderson

Bill Hulse

Mike Thorne

Greg Foley

| <i>Bev Sharp</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|------------------|-------------------------------------|--------------------------|--------------------------|
| <i>WJ</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Cliff Anderson

Chairman's Signature

FISCAL NOTE

REQUEST:

Revision Date: 4/27/89 Agency Affected: DEC
Title: An Act relating to oil and hazardous substance discharge contingency plans BRU: Environmental Quality
Sponsor: Duncan, Kerttula, Szymanski Components: Environmental Quality
Requestor: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

| OPERATING | FY 89 | FY 90 | FY 91 | FY 92 | FY 93 | FY 94 |
|------------------------|-------|--------------|--------------|--------------|--------------|--------------|
| PERSONAL SERVICES | | 246.9 | 246.9 | 246.9 | 246.9 | 246.9 |
| TRAVEL | | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 |
| CONTRACTUAL | | 165.0 | 165.0 | 40.0 | 40.0 | 40.0 |
| SUPPLIES | | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 |
| EQUIPMENT | | 25.0 | 25.0 | 25.0 | 25.0 | 25.0 |
| LAND & STRUCTURES | | | | | | |
| GRANTS, CLAIMS | | | | | | |
| MISCELLANEOUS | | | | | | |
| TOTAL OPERATING | | 461.9 | 461.9 | 336.9 | 336.9 | 336.9 |
| CAPITAL | | | | | | |
| REVENUE | | | | | | |

FUNDING: (Thousands of Dollars)

| | | | | | | |
|---------------|--|--------------|--------------|--------------|--------------|--------------|
| GENERAL FUND | | | | | | |
| FEDERAL FUNDS | | | | | | |
| OTHER | | 461.9 | 461.9 | 336.9 | 336.9 | 336.9 |
| TOTAL | | 461.9 | 461.9 | 336.9 | 336.9 | 336.9 |

POSITIONS:

| | | | | | | |
|-----------|--|---|---|---|---|---|
| FULL-TIME | | 5 | 5 | 5 | 5 | 5 |
| PART-TIME | | 0 | 0 | 0 | 0 | 0 |
| TEMPORARY | | 0 | 0 | 0 | 0 | 0 |

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Lynn Tomich Kent Phone: 465-2630
Division: Environmental Quality Date: 4/27/89

Approved by Commissioner: *A. D. Kelly* Date: 4/27/89
Agency: Department of Environmental Conservation

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

STATE OF ALASKA

STEVE COWPER, GOVERNOR

DEPT. OF ENVIRONMENTAL CONSERVATION

Telephone:
(907) 465-2600

FISCAL ANALYSIS

CSSB 261 (Fin)

April 28, 1989

Contact: Lynn Kent

PREPARE MASTER AND REGIONAL CONTINGENCY PLANS (461.9)

The Department estimates that four technical positions and one clerical position would be required to develop an initial state master plan and regional contingency plans, to annually review and revise the plans, and to annually conduct hearings on the plans. For the first two years, contractual services in the amount of \$125.0 would be required for a consultant to assist in developing the initial plans.

The following is a breakdown of position costs. The Ecologist III would be located in the Central Office in Juneau, one Ecologist II would be located in each of the three Regional Offices (Fairbanks, Anchorage, and Juneau), and the Clerk Typist II would support efforts in the Central and Regional Offices.

| Position | | 100 | 200 | 300 | 400 | 500 | Total |
|-----------------|--------------------|-------|------|------|-----|------|-------|
| Ecologist III | <i>RANGE</i> 20 | 57.7 | 5.0 | 8.0 | 1.0 | 5.0 | 76.7 |
| Ecologist II | 18 | 57.7 | 5.0 | 8.0 | 1.0 | 5.0 | 76.7 |
| Ecologist II | 18 | 51.1 | 5.0 | 8.0 | 1.0 | 5.0 | 70.1 |
| Ecologist II | 18 | 51.1 | 5.0 | 8.0 | 1.0 | 5.0 | 70.1 |
| Clerk Typist II | 7 | 29.3 | 0 | 8.0 | 1.0 | 5.0 | 43.3 |
| Total | | 246.9 | 20.0 | 40.0 | 5.0 | 25.0 | 336.9 |

*In additional, there are \$125.0 in first- and second-year costs:

| | |
|------------------------|-------|
| Position Total | 336.9 |
| Additional Contractual | 125.0 |
| Grant Total | 461.9 |

This fiscal note shows "other" funds as the funding source because funding will come from the Oil and Hazardous Substance Release Fund. However, additional resources will need to be provided to the Response Fund, as there is not currently an adequate balance to support this effort.

6-1242E
Chenoweth
4/29/89

Original sponsors: M.Davis, Brown,
Menard, et al.

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 CS FOR HOUSE BILL NO. 288 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act requiring the Department of Environmental
7 Conservation to prepare and to annually review and
8 revise a master oil and hazardous substance discharge
9 and prevention contingency plan for the state and
10 regional oil and hazardous substance discharge and
11 prevention contingency plans for certain regions of
12 the state; relating to the implementation of those
13 plans; and providing for an effective date."

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

15 * Section 1. FINDINGS AND PURPOSE. (a) The legislature finds that the
16 March 24, 1989, oil spill disaster in Prince William Sound demonstrates a
17 need for the state to have an independent spill containment and cleanup
18 capability in the event of future discharges of oil or a hazardous sub-
19 stance.

20 (b) It is the purpose of this Act to provide assurance to the people
21 of the state that their health, safety, and well-being will be protected
22 from the adverse consequences of oil and hazardous substance releases of a
23 magnitude that presents a grave and substantial threat to the economy and
24 the environment of the state.

25 * Sec. 2. AS 46.04 is amended by adding new sections to read:

26 ARTICLE 2. OIL AND HAZARDOUS SUBSTANCE DISCHARGE AND
27 PREVENTION CONTINGENCY PLANS.

28 Sec. 46.04.200. STATE MASTER PLAN. (a) The department shall
29 prepare and annually review and revise a statewide master oil and

1 hazardous substance discharge and prevention contingency plan.

2 (b) The state master plan prepared under this section must

3 (1) take into consideration the elements of an oil dis-
4 charge contingency plan approved or submitted for approval under
5 AS 46.04.030;

6 (2) clarify and specify the respective responsibilities of
7 each of the following in the assessment, containment, and cleanup of a
8 catastrophic oil discharge or of a significant discharge of a hazard-
9 ous substance into the environment of the state:

10 (A) agencies of the state;

11 (B) municipalities of the state;

12 (C) appropriate federal agencies;

13 (D) operators of facilities;

14 (E) private parties whose land and other property may
15 be affected by the oil or hazardous substance discharge; and

16 (F) other parties identified by the commissioner as
17 having an interest in or the resources to assist in the contain-
18 ment and cleanup of an oil or hazardous substance discharge;

19 (3) specify the respective responsibilities of parties
20 identified in (2) of this subsection in an emergency response; and

21 (4) identify actions necessary to reduce the likelihood of
22 catastrophic oil discharges and significant discharges of hazardous
23 substances.

24 (c) In preparing and annually reviewing the state master plan,
25 the commissioner shall

26 (1) consult with municipal and community officials, and
27 with representatives of affected regional organizations;

28 (2) submit the draft plan to the public for review and
29 comment;

1 (3) submit to the legislature for review, not later than
 2 the 10th day following the convening of each regular session, the plan
 3 and any annual revision of the plan; and

4 (4) require or schedule unannounced oil spill drills to
 5 test the sufficiency of an oil discharge contingency plan approved
 6 under AS 46.04.030 or of the cleanup plans of a party identified under
 7 (b)(2) of this section.

8 Sec. 46.04.210. REGIONAL MASTER PLAN. (a) For any region of
 9 the state, the boundaries of which are determined by the commissioner
 10 by regulation, in which the department is required to review and
 11 approve an oil discharge contingency plan submitted by a person under
 12 AS 46.04.030, the department shall prepare and annually review and
 13 revise a regional master oil and hazardous substance discharge and
 14 prevention contingency plan.

15 (b) The provisions of AS 46.04.200(b) and (c) apply to prepara-
 16 tion and review of a regional master plan under this section.

17 * Sec. 3. AS 46.08.040 is amended to read:

18 Sec. 46.08.040. PURPOSES OF THE FUND. The commissioner may use
 19 money from the fund to

20 (1) investigate and evaluate the release or threatened
 21 release of oil or a hazardous substance, and contain, clean up, and
 22 take other necessary action, such as monitoring and [,] assessing, to
 23 address a [INVESTIGATING, AND EVALUATING THE] release or threatened
 24 release of oil or a hazardous substance that poses an imminent and
 25 substantial threat to the public health or welfare, or to the environ-
 26 ment;

27 (2) provide matching funds for participation in federal oil
 28 discharge cleanup activities and under 42 U.S.C. 9601 - 9657 (Compre-
 29 hensive Environmental Response, Compensation, and Liability Act of

1 1980); [AND]

2 (3) recover the cost to the state or to a municipality of a
3 containment and cleanup resulting from the release or the threatened
4 release of oil or a hazardous substance;

5 (4) prepare, review, and revise

6 (A) the state's master oil and hazardous substance
7 discharge and prevention contingency plan required by AS 46.04.-
8 200; and

9 (B) a regional master oil and hazardous substance
10 discharge and prevention contingency plan required by AS 46.04.-
11 210; and

12 (5) restore the environment by addressing the effects of an
13 oil or hazardous substance release.

14 * Sec. 4. PREPARATION OF INITIAL PLANS. The commissioner of environ-
15 mental conservation shall present the initial statewide master plan pre-
16 pared under AS 46.04.200, enacted by sec. 2 of this Act, and any initial
17 regional master plans required by AS 46.04.210, enacted by sec. 2 of this
18 Act, to the governor by July 1, 1990, and to the legislature in January,
19 1991, in accordance with AS 46.04.200(c)(3), added by sec. 2 of this Act.

20 * Sec. 5. APPLICABILITY OF ACT. This Act does not relieve a person
21 responsible for an oil terminal facility, offshore exploration or produc-
22 tion facility, or a vessel that transports crude oil, or a person who has
23 control of a hazardous substance, from the responsibility for containing
24 and cleaning up a discharge of oil or the hazardous substance as required
25 by law.

26 * Sec. 6. This Act takes effect immediately under AS 01.10.070(c).
27
28
29

1 IN THE HOUSE

BY M. DAVIS, BROWN, MENARD,
GOLL, ELLIS, KOPONEN AND
ULMER

2

HOUSE BILL NO. 288

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SIXTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act requiring the Department of Environmental
7 Conservation to prepare and to annually review and
8 revise a master oil and hazardous substance discharge
9 and prevention contingency plan for the state and
10 regional oil and hazardous substance discharge and
11 prevention contingency plans for certain regions of
12 the state, and to implementation of that plan; and
13 providing for an effective date."

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

15 * Section 1. PURPOSE. It is the purpose of this Act to provide assur-
16 ance to the people of the state that their health, safety, and well-being
17 will be protected from the adverse consequences of oil and hazardous sub-
18 stance releases of a magnitude that presents a grave and substantial threat
19 to the economy and the environment of the state.

20 * Sec. 2. AS 46.04 is amended by adding new sections to read:

21 ARTICLE 2. OIL AND HAZARDOUS SUBSTANCE DISCHARGE AND
22 PREVENTION CONTINGENCY PLANS.

23 Sec. 46.04.200. STATE MASTER PLAN. (a) The department shall
24 prepare and annually review and revise a statewide master oil and
25 hazardous substance discharge and prevention contingency plan.

26 (b) The state master plan prepared under this section must

27 (1) take into consideration the elements of an oil dis-
28 charge contingency plan approved or submitted for approval under
29 AS 46.04.030;

1 (2) clarify and specify the respective responsibilities of
2 each of the following in the assessment, containment, and cleanup of a
3 catastrophic oil discharge or of a significant discharge of a hazard-
4 ous substance into the environment of the state:

5 (A) agencies of the state;

6 (B) municipalities of the state;

7 (C) appropriate federal agencies;

8 (D) operators of facilities;

9 (E) private parties whose land and other property may
10 be affected by the oil or hazardous substance discharge; and

11 (F) other parties identified by the commissioner as
12 having an interest in or the resources to assist in the contain-
13 ment and cleanup of an oil or hazardous substance discharge;

14 (3) specify the respective responsibilities of parties
15 identified in (2) of this subsection in an emergency response; and

16 (4) identify actions necessary to reduce the likelihood of
17 catastrophic releases.

18 (c) In preparing and annually reviewing the state master plan,
19 the commissioner

20 (1) shall consult with municipal and community officials,
21 and with representatives of affected regional organizations; and

22 (2) may submit the draft plan to the public for review and
23 comment.

24 Sec. 46.04.210. REGIONAL MASTER PLAN. (a) For any region of
25 the state, the boundaries of which are determined by the commissioner
26 by regulation, in which the department is required to review and
27 approve an oil discharge contingency plan submitted by a person under
28 AS 46.04.030, the department shall prepare and annually review and
29 revise a regional master oil and hazardous substance discharge and

1 prevention contingency plan.

2 (b) The provisions of AS 46.04.200(b) and (c) apply to prepara-
3 tion and review of a regional master plan under this section.

4 * Sec. 3. AS 46.08.040 is amended to read:

5 Sec. 46.08.040. PURPOSES OF THE FUND. The commissioner may use
6 money from the fund to

7 (1) investigate and evaluate the release or threatened
8 release of oil or a hazardous substance, and contain, clean up, and
9 take other necessary action, such as monitoring and [,] assessing, to
10 address a [INVESTIGATING, AND EVALUATING THE] release or threatened
11 release of oil or a hazardous substance that poses an imminent and
12 substantial threat to the public health or welfare, or to the environ-
13 ment;

14 (2) provide matching funds for participation in federal oil
15 discharge cleanup activities and under 42 U.S.C. 9601 - 9657 (Compre-
16 hensive Environmental Response, Compensation, and Liability Act of
17 1980); [AND]

18 (3) recover the cost to the state or to a municipality of a
19 containment and cleanup resulting from the release or the threatened
20 release of oil or a hazardous substance;

21 (4) prepare, review, and revise

22 (A) the state's master oil discharge and prevention
23 contingency plan required by AS 46.04.200; and

24 (B) a regional master oil discharge and prevention
25 contingency plan required by AS 46.04.210; and

26 (5) restore the environment by addressing the effects of an
27 oil or hazardous substance release.

28 * Sec. 4. PREPARATION OF INITIAL PLANS. The commissioner of environ-
29 mental conservation shall present the initial statewide master plan

1 prepared under AS 46.40.200 and any initial regional master plans required
2 by AS 46.40.210 to the governor by July 1, 1990.

3 * Sec. 5. This Act takes effect immediately under AS 01.10.070(c).

FISCAL NOTE

REQUEST:

Revision Date: 4/27/89 Agency Affected: DEC
 Title: An Act relating to oil and hazardous substance discharge contingency plans BRU: Environmental Quality
 Sponsor: Duncan, Kerdtula, Szymanski Components: Environmental Quality
 Requestor: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

| OPERATING | FY 89 | FY 90 | FY 91 | FY 92 | FY 93 | FY 94 |
|------------------------|-------|--------------|--------------|--------------|--------------|--------------|
| PERSONAL SERVICES | | 246.9 | 246.9 | 246.9 | 246.9 | 246.9 |
| TRAVEL | | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 |
| CONTRACTUAL | | 165.0 | 165.0 | 40.0 | 40.0 | 40.0 |
| SUPPLIES | | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 |
| EQUIPMENT | | 25.0 | 25.0 | 25.0 | 25.0 | 25.0 |
| LAND & STRUCTURES | | | | | | |
| GRANTS, CLAIMS | | | | | | |
| MISCELLANEOUS | | | | | | |
| TOTAL OPERATING | | 461.9 | 461.9 | 336.9 | 336.9 | 336.9 |
| CAPITAL | | | | | | |
| REVENUE | | | | | | |

FUNDING: (Thousands of Dollars)

| | | | | | | |
|---------------|--|--------------|--------------|--------------|--------------|--------------|
| GENERAL FUND | | | | | | |
| FEDERAL FUNDS | | | | | | |
| OTHER | | 461.9 | 461.9 | 336.9 | 336.9 | 336.9 |
| TOTAL | | 461.9 | 461.9 | 336.9 | 336.9 | 336.9 |

POSITIONS:

| | | | | | | |
|-----------|--|---|---|---|---|---|
| FULL-TIME | | 5 | 5 | 5 | 5 | 5 |
| PART-TIME | | 0 | 0 | 0 | 0 | 0 |
| TEMPORARY | | 0 | 0 | 0 | 0 | 0 |

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Lynn Tomich Kent Phone: 465-2630
 Division: Environmental Quality Date: 4/27/89

Approved by Commissioner: A. D. Lyle Date: 4/27/89
 Agency: Department of Environmental Conservation

Distribution (by preparer):

Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)