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SENATE COMMITTEE REPORT

FURTHER

4/14/89

DATE TURNED INTO OFFICE 4/28/89

Mr. President:

Finance

Committee considered

SB 277

establishing a panel to investigate the Valdez oil discharge disaster and to recommend changes needed to minimize the possibility and effects of similar oil discharges; efd and recommended

- replace with CS SB 277 (Fin)) same title
- or adopt _____) new title
- attached amendment(s) and technical title change (HB only)
- _____ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

FISCAL NOTE(S) zero Gov 1000 FY89/445.0 FY90 fiscal impact appropriation no FN

new updated previous

same as previous fiscal note(s) published _____

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

[Handwritten signatures]

[Handwritten signature: Rich Hill (DO PASS)]

Chairman signature and recommendation

Committee Backup attached

FISCAL NOTE

REVISED

REQUEST:

Revision Date: 4/27/89
 Title: "An Act establishing a commission to investigate the Exxon Valdez oil spill..."
 Sponsor: Faiks, Halford, Kelly, et al.
 Requestor: Senator Faiks
 Agency Affected: Office of the Governor
 BRU: Commissions and Special Offices
 Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES	8.5	76.3				
TRAVEL	13.0	95.0				
CONTRACTUAL	53.0	248.7				
SUPPLIES	5.5	25.0				
EQUIPMENT	20.0					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	100.0	445.0				
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	100.0	445.0				
FEDERAL FUNDS						
OTHER						
TOTAL	100.0	445.0				

POSITIONS:

FULL-TIME	2	2				
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

See attached analysis

Prepared by: Michael A. Nizich, Director *Man* Phone: 465-3616
 Division: Division of Administrative Services Date: 4/28/89

Approved by Commissioner: Garrey M. Peska *[Signature]* Date: 4/28/89
 Agency: Chief of Staff

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

CS SB 277 (Finance) Fiscal Analysis:

Due to the complexity of this proposed legislation, it is not possible to accurately assess the cost of the Exxon Valdez Oil Spill Commission.

The number of staff the commission would need to hire, including legal counsel, investigative staff, and administrative staff with legal expertise is unknown. The timeframe specified for the commission to complete its investigations and gather information for its final recommendations would indicate a substantial staffing requirement. For the purposes of this analysis, the minimum staff requirement for 1 month in FY 89 and 9 months in FY 90 is assumed at one coordinator, salary range 22A, and one secretary, salary range 12A. Additional personal services expenses for legal/investigative staff is reflected in the contractual line.

The number of meetings that will be necessary in order to hear testimony, review documents and depositions, evaluate information and formulate final recommendations are impossible to predict. In addition to travel and per diem as set out in AS 39.20.180, each non-governmental member of the commission will receive \$150.00 per day while on commission business.

The needed funds are indicated from the general fund. As the specified charges of the commission appear to be duplication of the work of existing entities, i.e., the Department of Law, the Department of Environmental Conservation, federal efforts under the Clean Water Act and the T.A.P.S. Act, N.O.A.A.'s long-term impact studies, etc., recovery of commission costs from Exxon is unlikely.

Original sponsors: Faiks, Halford,
Kelly, et al.

IN THE SENATE

BY THE FINANCE COMMITTEE

CS FOR SENATE BILL NO. 277 (Finance)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SIXTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act establishing a commission to investigate the Exxon Valdez oil spill disaster and to recommend changes needed to minimize the possibility and effects of similar oil spills; and providing for an effective date."

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

* Section 1. EXXON VALDEZ OIL SPILL COMMISSION. (a) There is established in the Office of the Governor the Exxon Valdez Oil Spill Commission. The commission consists of seven members appointed by the governor.

(b) The seven members must include

(1) a chair who is a distinguished state resident committed to impartial fact-finding and who is not a state or federal employee or an employee of a company that is part of the oil industry; and

(2) six persons who are not affiliated with any party directly related to the Exxon Valdez disaster, including at least one person with relevant scientific and technical knowledge and one person with business experience involving petroleum production or transportation.

(c) The commission may hire staff it considers necessary to perform its duties, including legal counsel.

(d) Members of the commission serve without compensation, but nongovernmental members are entitled to \$150 per day while on commission business plus per diem and travel expenses authorized for boards and commissions under AS 39.20.180.

* Sec. 2. DUTIES OF THE COMMISSION. (a) The commission shall gather

1 information relating to

2 (1) the events leading up to the Exxon Valdez oil discharge that
3 began March 24, 1989;

4 (2) the ensuing efforts to contain and clean up the oil dis-
5 charged;

6 (3) the short-term and long-term effects of the Exxon Valdez oil
7 discharge on the natural resources and the economy of the state.

8 (b) By March 1, 1990, the commission shall submit a report to the
9 governor and to the legislature containing its findings and recommendations
10 on

11 (1) the factual chain of events that preceded the grounding of
12 the Exxon Valdez and the extent to which oil industry practices and govern-
13 mental practices or laws should be changed to minimize the potential for
14 future similar events;

15 (2) the containment and cleanup actions that were taken or not
16 taken after the discharge, the extent to which current technology was
17 available and used, and ways to improve oil spill response technology and
18 procedures;

19 (3) the environmental and economic effects of the oil discharge;
20 and

21 (4) recommendations on steps that should be taken by the oil
22 industry and by all levels of government to ensure proper management,
23 handling, and transportation of crude oil and to improve the ability of
24 industry and governmental agencies to respond to oil discharges.

25 * Sec. 3. INVESTIGATIONS; HEARINGS. (a) The commission may issue
26 subpoenas, administer oaths, hold hearings, and conduct investigations
27 related to its duties.

28 (b) The commission may compel the attendance of witnesses and produc-
29 tion of papers, books, records, accounts, documents, and testimony, and may

1 have the deposition of witnesses taken in a manner prescribed by court rule
2 or law for the taking of depositions in civil actions when consistent with
3 the duties assigned to the commission.

4 (c) On a majority vote of the commission, subpoenas and subpoenas
5 duces tecum may be issued and served in the manner prescribed by AS 44.62.-
6 430(b) and (c) and court rule. The failure, refusal, or neglect to obey a
7 subpoena is punishable as contempt in the manner prescribed by law or court
8 rule. The superior court may compel obedience to the commission's subpoena
9 in the same manner as prescribed for obedience to a subpoena issued by the
10 court.

11 (d) State agencies shall, to the extent permitted by law, cooperate
12 with the commission and provide it with information it requests for carry-
13 ing out its duties.

14 (e) The commission is governed by AS 44.62.310.

15 * Sec. 4. This Act is repealed March 21, 1990.

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

6-1209D
Lauterbach
4/27/89

4/28/89
ADOPTED

Original sponsors: Faiks, Halford,
Kelly, et al.

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 277 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a commission to investigate the
7 Exxon Valdez oil spill disaster and to recommend
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14 The commission consists of seven members appointed by the governor [one
15 senator appointed by the president of the senate, and one representative
16 appointed by the speaker of the house of representatives]

17 (b) The seven members [appointed by the governor] must include

18 (1) a chair who is a distinguished state resident committed to
19 impartial fact-finding and who is not a state or federal employee or an
20 employee of a company that is part of the oil industry; and

21 (2) six persons who are not affiliated with any party directly
22 related to the Exxon Valdez disaster, including at least one person with
23 relevant scientific and technical knowledge and one person with business
24 experience involving petroleum production or transportation.

25 (c) The commission may hire staff it considers necessary to perform
26 its duties, including legal counsel.

27 (d) Members of the commission serve without compensation, but nongov-
28 ernmental members are entitled to \$150 per day while on commission business
29 plus per diem and travel expenses authorized for boards and commissions

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To: Lynn
FR: Vicki (4935)
Cap Rm. 413

4/27/89

6-1209H ✓
Lauterbach
4/25/89

Please prepare & revised

Original sponsors: Faiks, Halford, Kelly, et al. **DRAFT CS (Fin) and return to me ASAP.**

THANK!

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 277 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a commission to investigate the
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16 appointed by the speaker of the house of representatives.

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18 (1) a chair who is a distinguished state resident committed to
19 impartial fact-finding and who is not a state ^{or federal} employee; and ^{or an employee of the oil} ~~and~~ ^{industry}

20 (2) ~~10~~⁶ persons who are not affiliated with any party directly
21 related to the Exxon Valdez disaster, including at least one person with
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CSSB 277(Fin)

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Alaska State Legislature

Chairman
(907) 465-4523




Jan Faiks
Post Office Box V
Juneau, Alaska 99811

Senate Judiciary Committee

April 28, 1989

MEMORANDUM

TO: Senator Rick Uehling, Co-Chairman
Senate Finance Committee

FROM: Senator Jan Faiks 

SUBJECT: Attorney General Opinion on CS SB 277 (Finance)

Per your request, attached is the Attorney General's written opinion on the points he raised during testimony before the committee on constitutional concerns with legislative membership on the commission established in Senate Bill 277.

Members

Mike Szymanski, Vice-Chairman • Rick Halford • Drue Pearce • Pat Rodey

Out of Session

3111 C Street, Anchorage, Alaska 99503 • (907) 561-7610

Doug Baily April 27

Senator Faiks -

The problem is the dual appointment procedure. -

By the Governor & the Legislature which may well (and probably does) violate separation of powers. While this problem is often "overlooked" - here, where the panel has the subpoena power there will likely be efforts to block the investigation. I expect, if challenged, the Commission in this form will be declared invalid.

RECEIVED

APR 29 1989

CSSB 277

JAN FAIKS

MEMORANDUM

Date: April 22, 1989
To: Members, Senate Finance Committee
From: Senator Tim Kelly
Subj: Proposed amendments to CSSB277 (Oil & Gas)

During expedited consideration of Exxon Valdez oil spill-related legislation in the Oil and Gas Committee, members acknowledged that the measures probably would require additional amendments during the course of the standing committee process.

I have given considerable thought to CSSB277 creating an Exxon Valdez Oil Spill Commission and believe amendments are necessary to strengthen the ability of the commission to fulfill its mandate while inspiring the trust and confidence of all Alaskans.

In summary, my amendments would more closely track President Reagan's executive order which created a respected and successful commission on the Challenger Space Shuttle disaster. Like the Challenger panel, the Exxon Valdez Oil Spill Commission should be composed of "distinguished" men and women rather than representatives of designated interest groups.

As currently proposed, the legislation would mandate appointment of representatives from Exxon, Alyeska, the Coast Guard and other parties which I believe, upon reflection, Alaskans will conclude have serious conflicts of interest. I think it is critical that we create a commission that the people of Alaska will view as objective and unbiased. President Reagan did not name Morton Thiokol, Rockwell or NASA to the Challenger panel.

I believe the industry and government entities designated in the original bill have an important role to play in this process but not as members of the commission. As an alternative, I would propose the creation of an advisory committee to the commission to represent the various governmental, industry and other interests listed in the original bill.

As with the Challenger panel, I believe Exxon Valdez Oil Spill Commission members should be appointed based on their reputations for integrity, knowledge and stature within the "government, scientific, technical, management and business" communities. However, I do not believe they should represent specific interest groups, businesses or governmental agencies.

In addition, I believe the commission should be a "working commission" and the size of the panel should be reduced accordingly. Under my amendments, the chairman and the vice chairman also would serve full-time to direct a professional staff, eliminating the need for a staff director or deputy director. Also included is an amendment to designate the oil and hazardous substance response release fund as the source for funding for the commission.

I also believe the enabling legislation should make it absolutely clear that all meetings of the commission and advisory committee be open to the public. Healing the wounds of the Prince William Sound catastrophe will require the full and open disclosure of the complete truth about the spill and its consequences.

With the adoption of the amendments I have proposed, the commission will be insured of the credibility it needs to get the job done, and the people of Alaska will be insured of the facts they need to make informed decisions.

I feel strongly about the necessity of these changes because of the pivotal role the commission is likely to play in the unfolding drama in Prince William Sound. The U.S. Coast Guard and National Safety Transportation Board will be conducting their own investigations, but the scope of these probes will be limited. I am informed that neither the President nor Congress are planning a full-scale or broad-based inquiry of their own. State government managers are engaged in their various mandates to help confront and resolve the day-to-day challenges of post-spill problems, and they should not take time away from those jobs for the kind of in-depth and time-consuming retrospective necessary. I do not mean to demean the dedication of state agencies in this disaster, but this is not a job for the bureaucracy.

The Exxon Valdez disaster drove home the fact that—like earthquakes and airplane crashes—the chance of a major spill is a probability we're going to have to live with as long as Alaska remains a major oil producing state. But what happened in Prince William Sound also demonstrated the danger of complacency.

It was like having a jetliner crash on the runway at Anchorage International Airport and discover there's no hoses on the fire trucks. We can't totally eliminate the statistical probabilities that we will have another spill, but we can reduce those probabilities and be absolutely certain that we're prepared, if and when there's a next time.

If properly constituted, funded and staffed, the proposed Exxon Valdez Oil Spill Commission can focus a powerful spotlight on what went wrong and what we can do to cut down on the probabilities of a recurrence.

In conclusion, I support the creation of a commission which will go down in history as generating the authoritative body of information on this world-class disaster. I want Alaskans to demonstrate to the nation and the world that we have the will and ability to transcend the rhetoric of the past—that we can provide America with the energy it needs and protect our environment at the same time.

Amendment No. 1

Page 1, line 12 through Page 2, line 5, delete, substitute the following and re-number accordingly.

Section 1. EXXON VALDEZ OIL SPILL COMMISSION AND ADVISORY COMMITTEE. (a) There is established the Exxon Valdez Oil Spill Commission consisting of seven (7) members. The commission shall consist of:

(1) One member of the Senate appointed by the President of the Senate.

(2) One member of the House of Representatives appointed by the Speaker of the House.

(3) Two distinguished leaders or former leaders of government appointed by the Governor.

(4) One distinguished leader from the scientific, technical, management or business community appointed by the President of the Senate.

(5) One distinguished leader of the scientific, technical, management or business community appointed by the Speaker of the House.

(6) One distinguished leader of the scientific, technical, management or business community appointed by the Governor.

(b) There is established an Exxon Valdez Oil Spill Commission Advisory Committee consisting of fifteen 16 members which shall perform such duties as defined and assigned by the commission. The advisory committee shall be appointed by the commission from nominees submitted by the following:

(1) United States Coast Guard

(2) Environmental Protection Agency

(3) Alaska Department of Environmental Conservation

(4) Alaska Department of Fish & Game

(5) Alaska Environmental Community

(6) Prince William Sound Commercial Fishing Community

(7) Exxon Corporation

(8) Alyeska Pipeline Service Company

(9) National Transportation Safety Board

(10) City of Valdez

(11) City of Cordova

(12) City of Seward

(13) Chugach Native Association

(14) Three public members, one each nominated by the Governor, the President of the Senate and the Speaker of the House.

(c) The governor shall designate a chairman and a vice chairman from among the members of the commission.

Amendment No. 2

Page 2, line 6 to define the kind of skills to be considered in engaging staff.

(3) The commission may hire staff that it considers necessary to perform its duties. Staff shall include, but not be limited to, persons with experience in tanker operations, oil spill recovery, transportation economics and marine biology.

Amendment No. 3

Page 2, lines 8 through 11, replace with the following.

(f) Members of the commission and advisory committee serve without compensation, but non-governmental members are entitled to \$150 per day while on commission business plus per diem and travel expenses authorized for boards and commissions under AS 39.20.180 except that the chairman and vice chairman of the commission are entitled to compensation equal to that of a commissioner and deputy commissioner, respectively.

Amendment No. 4

Page 3, insert after line 25 a new section and re-number accordingly.

Sec. 4. All meetings of the commission and the advisory committee shall be open to members of the public.

Amendment No. 5

Page 3, after line 25, insert a new section and renumber accordingly

Sec. 4. Funding for the commission and its activities shall be derived from the Oil and Hazardous Substance Release Response Fund.

Senate Bill 277 - Exxon Valdez Oil Spill Commission

Proposed Finance CS	Oil and Gas CS	Kelly Amendments
Commission Established:		
In office of Governor	Not specified	Not specified
15 Members:	15 Members:	23 Members:
2 Senators, appointed by President 2 Representatives, appointed by Speaker	2 Senators, appointed by President 2 Representatives, appointed by Speaker	7 Member Commission: 1 Senator appointed by President 1 Representative, appointed by Speaker 2 government leaders, appointed by Governor 1 distinguished leader appointed by President 1 distinguished leader appointed by Speaker 1 distinguished leader appointed by Governor
10 persons unaffiliated with parties not directly related to disaster, including one or more persons with (A) relevant scientific and technical knowledge; and (B) petroleum production or transportation business experience	11 members appointed by Governor representing: DEC Coast Guard EPA Alyeska Exxon Merchant shipping industry Environmental community Prince William Sound fisherman; and 3 experts in science, technology, management	16 member Advisory Committee Established: Duties defined and assigned by Commission; appointed by Commission from nominees by: Coast Guard
1 distinguished Alaskan as chairman		

Senate Bill 277 - Exxon Valdez Oil Spill Commission

Proposed Finance CS	Oil and Gas CS	Kelly Amendments
		EPA DEC Fish and Game Environmental Community Prince William Sound Commercial fisherman Exxon Alyeska National Transportation Safety Board City of Valdez City of Cordova City of Seward Chugach Native Association 3 public members appointed one by Governor, President, Speaker

Commission Chairman: 1 distinguished Alaskan committed to impartial fact finding who will serve as chairman	Chairman and vice chairman selected by commission members
---	---

Senate Bill 277 - Exxon Valdez Oil Spill Commission

Proposed Finance CS	Oil and Gas CS	Kelly Amendments
Commission Staff: Commission may hire staff necessary to perform duties, including legal counsel		
Compensation: Non-governmental members receive \$150 per day in addition to per diem and travel		
Non-governmental members receive \$150 per day in addition to per diem and travel	Non-governmental members receive \$150 per day in addition to per diem and travel	Non-governmental members receive \$150 per day in addition to per diem and travel; Chairman and Vice Chairman shall receive same level of compensation as a department commissioner and deputy commissioner
Meetings: Shall be open to the public (AS 44.62.310)		
Funding: 500.0 general funds FY 90 Fiscal Note - Office of the Governor		
Sponsor estimates \$1.7 million from Oil and Hazardous Substance Release Response Fund		

4/22/89

Alaska State Legislature

JUDICIARY
CHAIRMAN
907-465-4523



JAN FAIKS
POST OFFICE BOX V
JUNEAU, ALASKA 99811

Senate

CS Senate Bill 277 (Oil and Gas) Sectional Analysis

Establishing a panel to investigate the Valdez oil discharge disaster and to recommend changes needed to minimize the possibility and effects of similar oil discharges; and providing for an effective date

Section 1. VALDEZ OIL DIASTER REVIEW PANEL.

- (a) A 15 member panel is established consisting of:
 - 2 Senators appointed by President of the Senate
 - 2 Representatives appointed by the House Speaker
- (b) and (c) Eleven members appointed by the Governor, representing:
 - 1 Department of Environmental Conservation
 - 1 United States Coast Guard
 - 1 Environmental Protection Agency
 - 1 Alyeska Pipeline Service Company
 - 1 Exxon USA Corporation
 - 1 merchant shipping industry
 - 1 environmental community
 - 1 fishermen from Prince William Sound area
 - 3 recognized for expertise in science, technology or management
- (d) The panel shall select its chairman and vice chairman.
- (e) The panel may hire staff to perform its duties.
- (f) Non-governmental commission members are entitled to \$150 per day while on commission business in addition to per diem and travel expenses.

Section 2. DUTIES OF THE PANEL.

(a) The panel shall gather information relating to:

- (1) events leading up to the Valdez spill
- (2) efforts to contain and clean up the oil discharged
- (3) short and long term effects of the spill on the natural resources and the economy of the state.

(b) The panel's report shall be submitted by March 1, 1990 and will include findings and recommendations on:

- (1) factual chain of events preceding the grounding of the Exxon Valdez and the extent oil industry and governmental practices or law should be changed to minimize the potential for future similar events;
- (2) containment and clean up actions, the extent to which current technology was available and used, and ways to improve spill response;
- (3) environmental and economic effects of the oil discharge;
- (4) recommendations on steps to be taken to ensure proper management, handling, and transportation of crude oil in the future

Section 3. INVESTIGATIONS; HEARINGS.

(a) - (c) The panel may issue subpoenas, administer oaths, hold hearings and conduct investigations related to its duties.

(d) State agencies shall, to the extent permitted by law, cooperate with the panel and provide information requested.

Section 4. Panel Termination

The panel sunsets twenty days after submission of its report (March 21, 1990).

Section 5. Effective Date

Immediate effective date.

MEMORANDUM

Date: April 22, 1989
To: Members, Senate Finance Committee
From: Senator Tim Kelly
Subj: Proposed amendments to CSSB277 (Oil & Gas)

During expedited consideration of Exxon Valdez oil spill-related legislation in the Oil and Gas Committee, members acknowledged that the measures probably would require additional amendments during the course of the standing committee process.

I have given considerable thought to CSSB277 creating an Exxon Valdez Oil Spill Commission and believe amendments are necessary to strengthen the ability of the commission to fulfill its mandate while inspiring the trust and confidence of all Alaskans.

In summary, my amendments would more closely track President Reagan's executive order which created a respected and successful commission on the Challenger Space Shuttle disaster. Like the Challenger panel, the Exxon Valdez Oil Spill Commission should be composed of "distinguished" men and women rather than representatives of designated interest groups.

As currently proposed, the legislation would mandate appointment of representatives from Exxon, Alyeska, the Coast Guard and other parties which I believe, upon reflection, Alaskans will conclude have serious conflicts of interest. I think it is critical that we create a commission that the people of Alaska will view as objective and unbiased. President Reagan did not name Morton Thiokol, Rockwell or NASA to the Challenger panel.

I believe the industry and government entities designated in the original bill have an important role to play in this process but not as members of the commission. As an alternative, I would propose the creation of an advisory committee to the commission to represent the various governmental, industry and other interests listed in the original bill.

As with the Challenger panel, I believe Exxon Valdez Oil Spill Commission members should be appointed based on their reputations for integrity, knowledge and stature within the "government, scientific, technical, management and business" communities. However, I do not believe they should represent specific interest groups, businesses or governmental agencies.

In addition, I believe the commission should be a "working commission" and the size of the panel should be reduced accordingly. Under my amendments, the chairman and the vice chairman also would serve full-time to direct a professional staff, eliminating the need for a staff director or deputy director. Also included is an amendment to designate the oil and hazardous substance response release fund as the source for funding for the commission.

I also believe the enabling legislation should make it absolutely clear that all meetings of the commission and advisory committee be open to the public. Healing the wounds of the Prince William Sound catastrophe will require the full and open disclosure of the complete truth about the spill and its consequences.

With the adoption of the amendments I have proposed, the commission will be insured of the credibility it needs to get the job done, and the people of Alaska will be insured of the facts they need to make informed decisions.

I feel strongly about the necessity of these changes because of the pivotal role the commission is likely to play in the unfolding drama in Prince William Sound. The U.S. Coast Guard and National Safety Transportation Board will be conducting their own investigations, but the scope of these probes will be limited. I am informed that neither the President nor Congress are planning a full-scale or broad-based inquiry of their own. State government managers are engaged in their various mandates to help confront and resolve the day-to-day challenges of post-spill problems, and they should not take time away from those jobs for the kind of in-depth and time-consuming retrospective necessary. I do not mean to demean the dedication of state agencies in this disaster, but this is not a job for the bureaucracy.

The Exxon Valdez disaster drove home the fact that—like earthquakes and airplane crashes—the chance of a major spill is a probability we're going to have to live with as long as Alaska remains a major oil producing state. But what happened in Prince William Sound also demonstrated the danger of complacency.

It was like having a jetliner crash on the runway at Anchorage International Airport and discover there's no hoses on the fire trucks. We can't totally eliminate the statistical probabilities that we will have another spill, but we can reduce those probabilities and be absolutely certain that we're prepared, if and when there's a next time.

If properly constituted, funded and staffed, the proposed Exxon Valdez Oil Spill Commission can focus a powerful spotlight on what went wrong and what we can do to cut down on the probabilities of a recurrence.

In conclusion, I support the creation of a commission which will go down in history as generating the authoritative body of information on this world-class disaster. I want Alaskans to demonstrate to the nation and the world that we have the will and ability to transcend the rhetoric of the past—that we can provide America with the energy it needs and protect our environment at the same time.

Amendment No. 1

Page 1, line 12 through Page 2, line 5, delete, substitute the following and re-number accordingly.

Section 1. EXXON VALDEZ OIL SPILL COMMISSION AND ADVISORY COMMITTEE. (a) There is established the Exxon Valdez Oil Spill Commission consisting of seven (7) members. The commission shall consist of:

- (1) One member of the Senate appointed by the President of the Senate.
- (2) One member of the House of Representatives appointed by the Speaker of the House.
- (3) Two distinguished leaders or former leaders of government appointed by the Governor.
- (4) One distinguished leader from the scientific, technical, management or business community appointed by the President of the Senate.
- (5) One distinguished leader of the scientific, technical, management or business community appointed by the Speaker of the House.
- (6) One distinguished leader of the scientific, technical, management or business community appointed by the Governor.

(b) There is established an Exxon Valdez Oil Spill Commission Advisory Committee consisting of ~~16~~ 16 members which shall perform such duties as defined and assigned by the commission. The advisory committee shall be appointed by the commission from nominees submitted by the following:

- (1) United States Coast Guard
- (2) Environmental Protection Agency
- (3) Alaska Department of Environmental Conservation
- (4) Alaska Department of Fish & Game
- (5) Alaska Environmental Community
- (6) Prince William Sound Commercial Fishing Community
- (7) Exxon Corporation
- (8) Alyeska Pipeline Service Company
- (9) National Transportation Safety Board
- (10) City of Valdez
- (11) City of Cordova
- (12) City of Seward

(13) Chugach Native Association

(14) Three public members, one each nominated by the Governor, the President of the Senate and the Speaker of the House.

(c) The governor shall designate a chairman and a vice chairman from among the members of the commission.

Amendment No. 2

Page 2, line 6 to define the kind of skills to be considered in engaging staff.

(3) The commission may hire staff that it considers necessary to perform its duties. Staff shall include, but not be limited to, persons with experience in tanker operations, oil spill recovery, transportation economics and marine biology.

Amendment No. 3

Page 2, lines 8 through 11, replace with the following.

(f) Members of the commission and advisory committee serve without compensation, but non-governmental members are entitled to \$150 per day while on commission business plus per diem and travel expenses authorized for boards and commissions under AS 39.20.180 except that the chairman and vice chairman of the commission are entitled to compensation equal to that of a commissioner and deputy commissioner, respectively.

Amendment No. 4

Page 3, insert after line 25 a new section and re-number accordingly.

Sec. 4. All meetings of the commission and the advisory committee shall be open to members of the public.

Amendment No. 5

Page 3, after line 25, insert a new section and renumber accordingly

Sec. 4. Funding for the commission and its activities shall be derived from the Oil and Hazardous Substance Release Response Fund.



Alaska State Legislature

APR 25 1989

*Sen
Uehling*

Please enter into the record my testimony to the House Resource & Senate Finance
committee name
committee on Senate Bill 277 , dated 4/14/89
bill/subject

I am in favor and support of the SB 277 Valdez Disaster Investigative Commission with the following concern:

The Villages and People that rely heavily on subsistence in addition to the fishing industry need to be included in the efforts stated within this bill. They have been effected in every way and seem to have little in voicing their perspective and reccomendations. I strongly urge you to recommend that there be provided representation for the Native People in addition to others who rely heavily on subsistence for their survival. The emotional impact in addition to the threatened lifestyle and culture needs a voice. The expertise within the realm of the subsistence lifestyle is beyond those with degrees in science, biology or any other field requiring schooling. These People have lived and learned from the land and possess life long skills that are earned from living from and with the land.

Please support us in our efforts to be included not only in Senate Bill 277, but in other efforts towards finding a means to protect our environment.

Thank you for your support and attention.

Signed: *Dolly C. P. Puff*
Testifier

KANA - 402 Center St. Kodiak 99615
Representing (Optional)

KODIAK AREA NATIVE ASSOCIATION - KONTAG REGION
Address

486-5725
Phone No.

APR 20 1989

Alaska State Legislature

Chairman
(907) 465-4523



Jan Faiks
Post Office Box V
Juneau, Alaska 99811

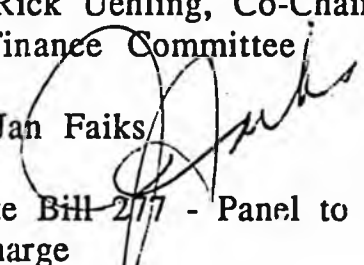
APR 20 1989

Senate Judiciary Committee

April 19, 1989

MEMORANDUM

TO: Senator Rick Uehling, Co-Chairman
Senate Finance Committee

FROM: Senator Jan Faiks 

SUBJECT: CS Senate Bill 277 - Panel to Investigate the Valdez
Oil Discharge

CS Senate Bill 277 (Oil and Gas) has been referred to the Senate Finance Committee for its consideration. I would appreciate the opportunity to discuss the legislation with the committee at your earliest convenience.

The bill is modeled after the executive order which established the Presidential Commission on the Space Shuttle Challenger Accident. It is my hope that by establishing a similar mechanism, Alaskans will be able to examine the facts and circumstances leading to the spill as well as develop recommendations on steps which can be taken to minimize the possibility of a similar accident occurring again in the future.

For your reference, attached is a sectional analysis of the bill, as well as a copy of the Presidential Commission's executive order and summary of the commission's report on the Challenger accident.

SPONSOR'S BACKGROUND MATERIAL

Members
Mike Szymanski, Vice-Chairman • Rick Halford • Drue Pearce • Pat Rodey

Out of Session
3111 C Street, Anchorage, Alaska 99503 • (907) 561-7610

Alaska State Legislature

JUDICIARY
CHAIRMAN
907-465-4523



JAN FAIKS
POST OFFICE BOX V
JUNEAU, ALASKA 99811

Senate

CS Senate Bill 277 (Oil and Gas) Sectional Analysis

Establishing a panel to investigate the Valdez oil discharge disaster and to recommend changes needed to minimize the possibility and effects of similar oil discharges; and providing for an effective date

Section 1. VALDEZ OIL DIASTER REVIEW PANEL.

- (a) A 14 member panel is established consisting of:
- 2 Senators appointed by President of the Senate
 - 2 Representatives appointed by the House Speaker
- (b) and (c) Eleven members appointed by the Governor, representing:
- 1 Department of Environmental Conservation
 - 1 United States Coast Guard
 - 1 Environmental Protection Agency
 - 1 Alyeska Pipeline Service Company
 - 1 Exxon USA Corporation
 - 1 merchant shipping industry
 - 1 environmental community
 - 1 fishermen from Prince William Sound area
 - 3 recognized for expertise in science, technology or management
- (d) The panel shall select its chairman and vice chairman.
- (e) The panel may hire staff to perform its duties.
- (f) Non-governmental commission members are entitled to \$150 per day while on commission business in addition to per diem and travel expenses.

OUT OF SESSION

3111 C STREET ANCHORAGE, ALASKA 99503 907-561-7610

Section 2. DUTIES OF THE PANEL.

(a) The panel shall gather information relating to:

- (1) events leading up to the Valdez spill
- (2) efforts to contain and clean up the oil discharged
- (3) short and long term effects of the spill on the natural resources and the economy of the state.

(b) The panel's report shall be submitted by March 1, 1990 and will include findings and recommendations on:

- (1) factual chain of events preceding the grounding of the Exxon Valdez and the extent oil industry and governmental practices or law should be changed to minimize the potential for future similar events;
- (2) containment and clean up actions, the extent to which current technology was available and used, and ways to improve spill response;
- (3) environmental and economic effects of the oil discharge;
- (4) recommendations on steps to be taken to ensure proper management, handling, and transportation of crude oil in the future

Section 3. INVESTIGATIONS; HEARINGS.

(a) - (c) The panel may issue subpoenas, administer oaths, hold hearings and conduct investigations related to its duties.

(d) State agencies shall, to the extent permitted by law, cooperate with the panel and provide information requested.

Section 4. Panel Termination

The panel sunsets twenty days after submission of its report (March 21, 1990).

Section 5. Effective Date

Immediate effective date.

_____ , 1986, which established
the Presidential Commission on the Space Shuttle Challenger Accident

EXECUTIVE ORDER

PRESIDENTIAL COMMISSION ON THE
SPACE SHUTTLE CHALLENGER ACCIDENT

By the authority vested in me as President by the Constitution and statutes of the United States of America, including the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), and in order to establish a commission of distinguished Americans to investigate the accident to the Space Shuttle Challenger, it is hereby ordered as follows:

Section 1. Establishment. (a) There is established the Presidential Commission on the Space Shuttle Challenger Accident. The Commission shall be composed of not more than 20 members appointed or designated by the President. The members shall be drawn from among distinguished leaders of the government, and the scientific, technical, and management communities.

(b) The President shall designate a Chairman and a Vice Chairman from among the members of the Commission.

Sec. 2. Functions. (a) The Commission shall investigate the accident to the Space Shuttle Challenger, which occurred on January 28, 1986.

(b) The Commission shall:

- (1) Review the circumstances surrounding the accident to establish the probable cause or causes of the accident; and
- (2) Develop recommendations for corrective or other action based upon the Commission's findings and determinations.

(c) The Commission shall submit its final report to the President and the Administrator of the National Aeronautics and Space Administration within one hundred and twenty days of the date of this Order.

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- (2) Develop recommendations for corrective or other action based upon the Commission's findings and determinations.

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2
sec. 3. Administration. (a) The heads of Executive departments and agencies shall, to the extent permitted by law, provide the Commission with such information as it may require for purposes of carrying out its functions.

(b) Members of the Commission shall serve without compensation for their work on the Commission. However, members appointed from among private citizens of the United States may be allowed travel expenses, including per diem in lieu of subsistence, to the extent permitted by law for persons serving intermittently in the government service (5 U.S.C. 5701-5707).

(c) To the extent permitted by law, and subject to the availability of appropriations, the Administrator of the National Aeronautics and Space Administration shall provide the Commission with such administrative services, funds, facilities, staff, and other support services as may be necessary for the performance of its functions.

Sec. 4. General Provisions. (a) Notwithstanding the provisions of any other Executive Order, the functions of the President under the Federal Advisory Committee Act which are applicable to the Commission, except that of reporting annually to the Congress, shall be performed by the Administrator of the National Aeronautics and Space Administration, in accordance with guidelines and procedures established by the Administrator of General Services.

(b) The Commission shall terminate 60 days after submitting its final report.

Ronald Reagan

THE WHITE HOUSE,

February 3, 1986.

Report to the President

By The
**PRESIDENTIAL
COMMISSION**
*on the Space Shuttle
Challenger Accident*

June 6th, 1986
Washington, D.C.

Presidential Commission on the Space Shuttle Challenger Accident

William P. Rogers, Chairman

Former Secretary of State under President Nixon (1969-1973), and Attorney General under President Eisenhower (1957-1961), currently a practicing attorney and senior partner in the law firm of Rogers & Wells. Born in Norfolk, New York, he was awarded the Medal of Freedom in 1973. He holds a J.D. from Cornell University (1937) and served as LCDR, U.S. Navy (1942-1946).

Neil A. Armstrong, Vice Chairman

Former astronaut, currently Chairman of the Board of Computing Technologies for Aviation, Inc. Born in Wapakoneta, Ohio, Mr. Armstrong was spacecraft commander for Apollo 11, July 16-24, 1969, the first manned lunar landing mission. He was Professor of Aeronautical Engineering at the University of Cincinnati from 1971 to 1980 and was appointed to the National Commission on Space in 1985.

David C. Acheson

Former Senior Vice President and General Counsel, Communications Satellite Corporation (1967-1974), currently a partner in the law firm of Drinker Biddle & Reath. Born in Washington, DC, he previously served as an attorney with the U.S. Atomic Energy Commission (1948-1950) and was U.S. Attorney for the District of Columbia (1961-1965). He holds an LL.B. from Harvard University (1948) and served as LT, U.S. Navy (1942-1946).

Dr. Eugene E. Covert

Educator and engineer. Born in Rapid City, South Dakota, he is currently Professor and

Head, Department of Aeronautics and Astronautics, at Massachusetts Institute of Technology. Member of the National Academy of Engineering, he was a recipient of the Exceptional Civilian Service Award, USAF, in 1973 and the NASA Public Service Award in 1980. He holds a Doctorate in Science from Massachusetts Institute of Technology.

Dr. Richard P. Feynman

Physicist. Born in New York City, he is Professor of Theoretical Physics at California Institute of Technology. Nobel Prize winner in Physics, 1965, he also received the Einstein Award in 1954, the Oersted Medal in 1972 and the Niels Bohr International Gold Medal in 1973. He holds a Doctorate in Physics from Princeton (1942).

Robert B. Hotz

Editor, publisher. Born in Milwaukee, Wisconsin. He is a graduate of Northwestern University. He was the editor-in-chief of *Aviation Week & Space Technology* magazine (1953-1980). He served in the Air Force in World War II and was awarded the Air Medal with Oak Leaf Cluster. Since 1982, he has been a member of the General Advisory Committee to the Arms Control and Disarmament Agency.

Major General Donald J. Kutyna, USAF

Director of Space Systems and Command, Control, Communications. Born in Chicago, Illinois, and graduate of the U.S. Military Academy, he holds a Master of Science degree from Massachusetts Institute of Technology (1965). A command pilot with over 4,000 flight

hours, he is a recipient of the Distinguished Service Medal, Distinguished Flying Cross, Legion of Merit and nine air medals.

Dr. Sally K. Ride

Astronaut. Born in Los Angeles, California, she was a mission specialist on STS-7, launched on June 18, 1983, becoming the first American woman in space. She also flew on mission +1-G launched October 5, 1984. She holds a Doctorate in Physics from Stanford University (1978) and is still an active astronaut.

Robert W. Rummel

Space expert and aerospace engineer. Born in Dakota, Illinois, and former Vice President of Trans World Airlines, he is currently President of Robert W. Rummel Associates, Inc., of Mesa, Arizona. He is a member of the National Academy of Engineering and is holder of the NASA Distinguished Public Service Medal.

Joseph F. Sutter

Aeronautical engineer. Currently Executive Vice President of the Boeing Commercial Airplane Company. Born in Seattle, he has been with Boeing since 1945 and was a principal figure in the development of three generations of jet aircraft. In 1984, he was elected to the National Academy of Engineering. In 1985, President Reagan conferred on him the U.S. National Medal of Technology.

Dr. Arthur B. C. Walker, Jr.

Astronomer. Born in Cleveland, Ohio, he is currently Professor of Applied Physics and was formerly Associate Dean of the Graduate Divi-

sion at Stanford University. Consultant to Aerospace Corporation, Rand Corporation and the National Science Foundation, he is a member of the American Physical Society, American Geophysical Union, and the American Astronomy Society. He holds a Doctorate in Physics from the University of Illinois (1962).

Dr. Albert D. Wheelon

Physicist. Born in Moline, Illinois, he is currently Executive Vice President, Hughes Aircraft Company. Also a member of the President's Foreign Intelligence Advisory Board, he served as a consultant to the President's Science Advisory Council from 1961 to 1974. He holds a Doctorate in Physics from Massachusetts Institute of Technology (1952).

Brigadier General Charles Yeager, USAF (Retired)

Former experimental test pilot. Born in Myra, West Virginia, he was appointed in 1985 as a member of the National Commission on Space. He was the first person to penetrate the sound barrier and the first to fly at a speed of more than 1,600 miles an hour.

Dr. Alton G. Keel, Jr., Executive Director

Detailed to the Commission from his position in the Executive Office of the President, Office of Management and Budget, as Associate Director for National Security and International Affairs; formerly Assistant Secretary of the Air Force for Research, Development and Logistics; and Senate Staff. Born in Newport News, Virginia, he holds a Doctorate in Engineering Physics from the University of Virginia (1970).

	Executive Secretary	White House MAJ, USA/OMB
Special Assistants		
Marie C. Hunter	Executive Assistant to the Chairman	Rogers & Wells
M. M. Black	Personal Secretary to Vice Chairman & Executive Director	OMB
Mark D. Weinberg	Media Relations	White House
Herb Hetu	Media Relations	Consultant
John T. Shepherd	NASA Tasking Coordination	CAPT, USN (Ret)/Atty.

Administrative Staff

Stephen B. Hyle	Administrative Officer	LTC, USAF
Patt Sullivan	Administrative Assistant	NASA
Marilyn Stumpf	Travel Coordination	NASA
Joleen A. B. Bottalico	Travel Coordination	NASA
Jane M. Green	Secretary	NASA
Lorraine K. Walton	Secretary	NASA
Vera A. Barnes	Secretary	NASA
Virginia A. James	Receptionist	Contract Support

Investigative Staff

William G. Dupree	Investigator, Development and Production	DOD IG
John B. Hungerford, Jr.	Investigator, Development and Production	LTC, USAF
John P. Chase	Investigator, Pre-Launch Activities	MAJ, USMC/DOD IG
Brewster Shaw	Investigator, Pre-Launch Activities	LTC, USAF/NASA Astronaut
John C. Macidull	Investigator, Accident Analysis	FAA/CDR, USNR-R
Ron Waite	Investigator, Accident Analysis	Engineering Consultant
John Fabian	Investigator, Mission Planning and Operations	COL, USAF/Former Astronaut
Emily M. Trapnell	Coordinator, General Investigative Activities	FAA Atty.
Randy R. Kehrli	Evidence Analysis	DOJ Atty.
E. Thomas Almon	Investigator	Special Agent, FBI
Patrick J. Maley	Investigator	Special Agent, FBI
John R. Molesworth, Jr.	Investigator	Special Agent, FBI
Robert C. Thompson	Investigator	Special Agent, FBI
Dr. R. Curtis Graeber	Human Factors Specialist	LTC, USA/NASA
Michael L. Marx	Metallurgist	NTSB

Writing Support

Woods Hansen	Editor	Free Lance
James Haggerty	Writer	Free Lance
Anthony E. Hartle	Writer	COL, USA/USMA
William Bauman	Writer	CAPT, USAF/USAF
Frank Giilen	Word Processing Supervisor	Contract Support ..
Lawrence J. Herb	Art Layout	Free Lance
Willis Ricker	Printer	NASA
Lynne Komai	Design	Contract Support

Documentation Support

Clarisse Abramidis	Case Manager	DOJ
Fritz Geurtsen	Project Manager	DOJ
John Dunbar	Contract Representative	Contract Support
Valarie Lease	Support Center Supervisor	Contract Support
Stephen M. Croll	Correspondence Support	Contract Support

Independent Test Observers

Eugene G. Haberman	Rocket Propulsion Lab	USAF
Wilbur W. Wells	Rocket Propulsion Lab	USAF
Don E. Kennedy	TRW Ballistic Missile Office	Pro Bono
Laddie E. Dufka	Aerospace Corp	Pro Bono
Mohan Aswani	Aerospace Corp	Pro Bono
Michael L. Marx	Metallurgist	NTSB

An Overview

President Reagan, seeking to ensure a thorough and unbiased investigation of the Challenger accident, announced the formation of the Commission on February 3, 1986. The mandate given by the President, contained in Executive Order 12546, required Commission members to:

- (1) Review the circumstances surrounding the accident to establish the probable cause or causes of the accident; and
- (2) Develop recommendations for corrective or other action based upon the Commission's findings and determinations.

Following their swearing in by Chairman Rogers on February 6th, Commission members immediately began a series of hearings during which NASA officials outlined agency procedures covering the Shuttle program and the status of NASA's investigation of the accident.

Shortly thereafter, on February 10th, Dr. Alton G. Keel, Jr., Associate Director of the Office of Management and Budget, was appointed Executive Director. Dr. Keel began gathering a staff of 15 experienced investigators from various government agencies and the military services, and administrative personnel to support Commission activities.

During a closed session on February 10, 1986, the Commission began to learn of the troubled history of the Solid Rocket Motor joint and seals. Moreover, it discovered the first indication that the contractor, Morton Thiokol, initially recommended against launch on January 27, 1986, the night before the launch of 51-L, because of con-

cerns regarding low temperature effects on the joint and seal. To investigate this disturbing development, additional closed sessions were scheduled for February 13th and 14th at Kennedy. The February 13, 1986, session was an extensive presentation of film, video and telemetry data relating to the Challenger accident. It provided the Commission the first evidence that the Solid Rocket Motor joint and seal may have malfunctioned, initiating the accident.

The session on February 14th included NASA and contractor participants involved in the discussion on January 27, 1986, not to launch 51-L. After testimony was received, an executive session of the Commission was convened. The following statement was subsequently issued by the Chairman on February 15, 1986, reflecting the conclusion and view of the Commission:

"In recent days, the Commission has been investigating all aspects of the decision making process leading up to the launch of the Challenger and has found that the process may have been flawed. The President has been so advised.

"Dr. William Graham, Acting Administrator of NASA, has been asked not to include on the internal investigating teams at NASA, persons involved in that process.

"The Commission will, of course, continue its investigation and will make a full report to the President within 120 days."

The role of the Commissioners thus changed from that of overseers to that of active investigators and analysts of data presented by NASA and its contractors.

The Commission itself divided into four investigative panels:

1. Development and Production, responsible for investigating the acquisition and test and evaluation processes for the Space Shuttle elements;
2. Pre-Launch Activities, responsible for assessing the Shuttle system processing, launch readiness process and pre-launch security;
3. Mission Planning and Operations, responsible for investigating mission planning and operations, schedule pressures and crew safety areas; and
4. Accident Analysis, charged with analyzing the accident data and developing both an anomaly tree and accident scenarios.

By February 17th, the panel organization had been finalized and, on February 18th, Chairman Rogers described the Commission's new approach before Congress. Working groups were sent to Marshall, Kennedy and Thiokol to analyze data relating to the accident and to redirect efforts. NASA's investigation was also reorganized to reflect the structure of the Commission's panels.

A series of public hearings were planned on February 25th, 26th and 27th to assure an orderly and fair presentation of all the facts that the Commission had discovered concerning the launch decision making process for flight 51-L. At these hearings, additional information about the launch decision was obtained from the testimony of Thiokol, Rockwell and NASA officials. Details about the history of problems with the then suspect Solid Rocket Motor joints and seals also began emerging and served to focus the Commission's attention on a need to document fully the extent of knowledge and awareness about the problems within both Thiokol and NASA.

Following these hearings, a substantial portion of the investigative efforts of the Commission was conducted by the separate panels in parallel with full Commission hearings.

The Accident Analysis Panel, chaired by Major General Donald Kutyna, made several trips to both Kennedy and Marshall and traveled to Thiokol facilities in Utah to review photographic and telemetric evidence as well as the results of the salvage operation and to oversee the tests being conducted by NASA and Thiokol engineers.

The Accident Analysis Panel followed standard investigative procedures. An extensive effort

was needed to establish the design, manufacturing and processing baseline configuration of the Shuttle vehicle for STS 51-L. A data base was established for the examination and analysis of information related to all flight elements and segments. From these data and a compilation of possible and observed deviations from the norm, scenarios that might have led to the accident were developed. Tests and analyses were then performed to determine the specific scenarios most likely to have caused loss of Challenger.

Early in March, at the request of the Chairman, this group assembled and directed the Commission's independent team of technical observers with extensive experience in Solid Rocket Motor technology and accident investigation to validate and interpret the tests and analyses performed on the Thiokol motor by NASA and Thiokol.

The Development and Production Panel, chaired by Joseph Sutter, centered its investigation on the production and testing activities of the Shuttle element contractors. Starting at Johnson, the panel and staff investigators looked at how these contractors and their NASA counterparts interact.

They next traveled to the Wasatch plant of Thiokol in Promontory, Utah. Thiokol personnel briefed the group on the details of the design, manufacturing, verification and certification of the Solid Rocket Motors. Similar sessions took place in April in Downey, California, at the headquarters of Rocketdyne, Inc., the Shuttle main engine contractor; in Canoga Park, California, at the facilities of Rockwell International, the Orbiter contractor; in Michoud, Louisiana, at the plant of Martin Marietta, the External Tank contractor; and in Berea, Kentucky, at the facilities of Parker Seal Company, the manufacturers of the O-ring seals of the Thiokol Solid Rocket Motors.

In addition, the panel traveled to Marshall to learn about Marshall's interaction with Thiokol and to discuss issues that had been raised during the visits to the contractors' plants.

The Pre-Launch Activities Panel, chaired by David Acheson, centered its investigation at Kennedy where the Shuttle elements are assembled and all other final launch preparations are completed. This panel, in conjunction with the Mission Planning and Operations Panel, chaired by Dr. Sally Ride, met with its NASA counterparts in early March. This series of meetings identified for the Commission the various aspects of the pre-

launch process that required thorough review, not only for the purpose of the Challenger accident investigation but also to increase safety margins for the future.

Later in March the Pre-Launch Panel again met at Kennedy to receive the NASA Team's preliminary reports and to focus on the spare parts issue and Solid Rocket Booster assembly operations. Panel members also met with contractor personnel involved in Shuttle processing and Kennedy security work.

After the joint meeting at Kennedy with the Pre-Launch Activities Panel, the Mission Planning and Operations Panel traveled to Johnson to begin working with its NASA counterparts and to initiate its own investigative efforts. A specific focus of its work was the mission planning and crew preparation for STS 51-L and details of NASA's safety, reliability and quality assurance programs. Later meetings at both Johnson and Marshall dealt with range safety, weather criteria for launch, flight delays and hardware testing.

While the work of the individual panels and their investigative staffs was ongoing, a general investigative staff began a series of individual interviews to document fully the factual background of various areas of the Commission's interest, including the telecon between NASA and Thiokol officials the night before the launch; the history of joint design and O-ring problems; NASA safe-

ty, reliability and quality assurance functions; and the assembly of the right Solid Rocket Booster for STS 51-L. Subsequent investigative efforts by this group were directed in the area of the effectiveness of NASA's organizational structure, particularly the Shuttle program structure, and allegations that there had been external pressure on NASA to launch on January 28th.

More than 160 individuals were interviewed and more than 35 formal panel investigative sessions were held generating almost 12,000 pages of transcript (Table 1 and Table 2). Almost 6,300 documents, totaling more than 122,000 pages, and hundreds of photographs were examined and made a part of the Commission's permanent data base and archives. These sessions and all the data gathered added to the 2,800 pages of hearing transcript generated by the Commission in both closed and open sessions.

In addition to the work of the Commission and the Commission staff, NASA personnel expended a vast effort in the investigation. More than 1,300 employees from all NASA facilities were involved and were supported by more than 1,600 people from other government agencies and over 3,100 from NASA's contractor organizations. Particularly significant were the activities of the military, the Coast Guard and the NTSB in the salvage and analysis of the Shuttle wreckage.

Table 1

Commission Investigative Interviews

Interviews of January 27, 1986
Teleconference (8:15 PM EST)

Participants

Ben Powers
Frank Adams
Larry Wear
James Smith
Boyd Brinton
Robert Schwinghamer
William Reihl
Wayne Littles
John Q. Miller
John McCarty

John Schell
Keith Coates
George Hardy
Jud Lovingood
Jack Buchanan
Allan McDonald
Carver Kennedy
Cecil Houston
Lawrence Mulloy
Stanley Reinartz

William Macbeth
Brian Russeil
Jack Kapp
Ron Ebeling
Calvin Wiggins
Larry Sayer
Joel Maw
Kyle Speas
Jerry Burn
Don Keiner

Jerry E. Mason
Robert Lund
Joseph Kilminster
Roger Boisjoly
Arnold Thompson
Jerry Peoples
James Kingsbury

FISCAL NOTE

REQUEST:

Revision Date: 4/27/89
 Title: "An Act establishing a commission to investigate the Exxon Valdez oil spill..."
 Sponsor: Faiks, Falford, Kelly, et al,
 Requestor: Senator Faiks

Agency Affected: Office of the Governor
BRU: Commissions and Special Offices

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES	8.5	76.3				
TRAVEL	13.0	150.0				
CONTRACTUAL	53.0	248.7				
SUPPLIES	5.5	25.0				
EQUIPMENT	20.0					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	100.0	500.0	-0-	-0-	-0-	-0-

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	100.0	500.0				
FEDERAL FUNDS						
OTHER						
TOTAL	100.0	500.0				

POSITIONS:

FULL-TIME	2	2				
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

See attached analysis

Prepared by: Michael A. Nizich, Director *MAN* Phone: 465-3616
 Division: Division of Administrative Services Date: 4/28/89

Approved by: Commissioner: Garrev M. Pecka Date: 4/28/89
 Agency: Chief of Staff

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

CS SB 277 (Finance) Fiscal Analysis:

Due to the complexity of this proposed legislation, it is not possible to accurately assess the cost of the Exxon Valdez Oil Spill Commission.

The number of staff the commission would need to hire, including legal counsel, investigative staff, and administrative staff with legal expertise is unknown. The timeframe specified for the commission to complete its investigations and gather information for its final recommendations would indicate a substantial staffing requirement. For the purposes of this analysis, the minimum staff requirement for 1 month in FY 89 and 9 months in FY 90 is assumed at one coordinator, salary range 22A, and one secretary, salary range 12A. Additional personal services expenses for legal/investigative staff is reflected in the contractual line.

The number of meetings that will be necessary in order to hear testimony, review documents and depositions, evaluate information and formulate final recommendations are impossible to predict. In addition to travel and per diem as set out in AS 39.20.180, each non-governmental member of the commission will receive \$150.00 per day while on commission business.

The needed funds are indicated from the general fund. As the specified charges of the commission appear to be duplication of the work of existing entities, i.e., the Department of Law, the Department of Environmental Conservation, federal efforts under the Clean Water Act and the T.A.P.S. Act, N.O.A.A.'s long-term impact studies, etc., recovery of commission costs from Exxon is unlikely.

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: An Act establishing a commission to investigate the Exxon Valdez oil spill
Sponsor: Faiks, Halford, Kelly, et al.
Requestor: Senator Pearce

Agency Affected: Office of the Governor
BRU: Commissions and Special Offices
Components: Exxon Valdez Oil Spill Commission

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS	100.0	500.0				
TOTAL OPERATING	100.0	500.0	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	100.0	500.0	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	100.0	500.0	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

See attached analysis

Prepared by: Michael A. Nizich, Director
Division: Division of Administrative Services
Approved by Commissioner: Garrey M. Peska
Agency: Chief of Staff

Phone: 465-3616
Date: 4-18-89
Date: 4-18-89

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

CS SB 277 (Oil & Gas) Fiscal Analysis:

It is not possible to accurately assess the costs of the proposed commission. They will, however, be substantial and will include personal services, travel, contractual services, supplies and equipment. An estimated total is shown on the miscellaneous line of the fiscal note.

The number of staff the commission would need to hire, including legal counsel, investigative staff, and administrative staff with legal expertise is unknown. The timeframe specified for the commission to complete its investigations and gather information for its final recommendations would indicate a substantial staffing requirement. The number of meetings that will be necessary in order to hear testimony, review documents and depositions, evaluate information and formulate final recommendations are impossible to predict.

The needed funds are indicated from the general fund. As the specified charges of the commission appear to be duplication of the work of existing entities, i.e., the Department of Law, the Department of Environmental Conservation, federal efforts under the Clean Water Act and the T.A.P.S. Act, N.O.A.A.'s long-term impact studies, etc., recovery of commission costs from Exxon is unlikely.

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: An Act establishing a panel to investigate the Valdez oil discharge disaster...
Sponsor: Senate Special Com. on Oil & Gas
Requestor: Senate Special Com. on Oil & Gas

Affect Agency Legislative Affairs Agency
BRU: Legislative Council
Legislative Operating Budget
Components Legislative Operating Budget
Session Expenses

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (THOUSANDS OF DOLLARS)

General Fund						
Federal Fund						
Other						
TOTAL	0	0	0	0	0	0

POSITIONS:

Full-Time	0	0	0	0	0	0
Part-Time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

No fiscal impact. Travel costs for legislators absorbed within existing budgets of Session Expenses and the Legislative Operating Budget.

Prepared By: Pamela Stoops, Director
Division: Administrative Services

Pamela Stoops

Phone: 465-3850
Date: 4/14/89

Approved By: Warren Endicott, Executive Director
Agency: Legislative Affairs Agency

Warren W Endicott

Date: 4/14/89

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