

**HB 486**

# HOUSE COMMITTEE REPORT

(11)

Date Referred: April 6, 1992

FURTHER REFERRALS:

Date of Committee Action: 4/30/92

The FINANCE Committee considered:

HB 486

HOUSE BILL NO. 486

APPROP: EXXON VALDEZ OIL SPILL TRUST

"An Act making a contingent appropriation to the Exxon Valdez Oil Spill Trust; and providing for an effective date."

**RECOMMENDATIONS:**

be replaced with CS HB 486 (FIN)  the same title  
 a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the \_\_\_\_\_ Committee

ADOPTS: \_\_\_\_\_ letter of Intent

ATTACHES NEW FISCAL NOTE(S): \_\_\_\_\_ (Dept)

APPROVES PREVIOUS: \_\_\_\_\_ (Dept/Date)

fiscal impact \_\_\_\_\_

fiscal note(s) \_\_\_\_\_

zero fiscal note \_\_\_\_\_

zero fiscal note(s) \_\_\_\_\_

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
EP Maden Mackan	+	Referred to Phillips		✓	
Mike Savane Navarre	/	Ref to Sharp		✓	
Mark Boyer Boyer	X	Referred to Barnes		X	
Taylor Brown Brown	✓				
Robert Kopman Kopman	✓				
Orville Larson Larson	-				
J. Ulmer Ulmer	v				

Mike Savane      EP Maden  
 CHAIRMAN'S SIGNATURE  
NAVARRA      Mackan

Revision Date: \_\_\_\_\_  
Title: "...making a contingent appropriation to the Exxon Valdez Oil Spill Trust..."  
Sponsor: House Judiciary by Request  
Requestor: House Judiciary Committee

Department Affected: LAW  
BRU: Exxon Valdez Litigation  
Component: Exxon Valdez Litigation

COMPONENT SERIAL 

1	1	7	5
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	*	*	*	*	*	*

CAPITAL	*	*	*	*	*	*
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REVENUE FUND SOURCE:						
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER FUND SOURCE:						
TOTAL	*	*	*	*	*	*

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary.)

The House Judiciary Committee received a blank Department of Law fiscal note on HB 486.

The House Judiciary Committee requests that the House Finance Committee provide the proper fiscal note for this bill.

Prepared by: [Signature]  
Division: V. Chair H. Judiciary Committee

Phone: \_\_\_\_\_  
Date: 4/3/92

Approved by Commissioner: \_\_\_\_\_  
Agency: \_\_\_\_\_

Date: \_\_\_\_\_

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., & Impacted Agency(ies).

CS FOR HOUSE BILL NO. 486 (FINANCE)  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:  
Referred:

Sponsor(s): HOUSE JUDICIARY COMMITTEE BY REQUEST

A BILL

FOR AN ACT ENTITLED

1 "An Act making a contingent appropriation to the trust established for damages to natural  
2 resources affected by the March 24, 1989, Exxon Valdez oil spill; and providing for an  
3 effective date."

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

5 \* Section 1. (a) Contingent upon (b) of this section, the interest of the State of Alaska in the money  
6 paid during fiscal years 1992 and 1993 by Exxon Corporation, Exxon Shipping Company, or Exxon  
7 Pipeline Company, under the Agreement and Consent Decree in United States v. Exxon et al., and State  
8 of Alaska v. Exxon, et al., United States District Court, District of Alaska, cases No. A91-082 Civ. and  
9 A91-083 Civ., and not paid to the state or federal governments as reimbursements for expenses related  
10 to the Exxon Valdez oil spill and incurred by either government on or before December 31, 1992, is  
11 appropriated to the trust.

12 (b) The appropriation made by (a) of this section is contingent upon the taking effect of a bill  
13 or bills passed by the Seventeenth Alaska State Legislature that

14 (1) recognize the trust;

1           (2) prohibit state agencies from expending money received from the trust except in  
2 accordance with an appropriation made by law;

3           (3) require state officers designated as trustees of the trust to comply with AS 39.52 and,  
4 in certain circumstances, with AS 44.62.310 - 44.62.312; and

5           (4) require the state officers designated as trustees of the trust to agree to expenditures  
6 from the trust only if they are paid to an agency of the state or federal government or are for  
7 administrative expenses of the trust and are consistent with the competitive principles of AS 36.30.

8           (c) In this section, "trust" means the trust established for natural resource damage recoveries  
9 under the Memorandum of Agreement and Consent Decree entered into by the United States and the  
10 state in settlement of claims to money received by the state and federal governments for injury, loss, or  
11 destruction to the natural resources affected by the March 24, 1989, Exxon Valdez oil spill, and approved  
12 by the court on August 28, 1991, in United States v. Alaska, United States District Court, case No. A91-  
13 081 Civ.

14   \* Sec. 2. This Act takes effect immediately under AS 01.10.070(c).

FISCAL NOTE

STATE OF ALASKA

BILL NO. HB 486

1992 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_  
 Title: "...making a contingent appropriation to the Exxon Valdez Oil Spill Trust..."  
 Sponsor: House Judiciary by Request  
 Requestor: House Judiciary Committee

Department Affected: Department of Law  
 BRU: Exxon Valdez Litigation  
 Component: Exxon Valdez Litigation

COMPONENT SERIAL 

1	1	7	5
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
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TOTAL OPERATING						

CAPITAL						
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REVENUE FUND SOURCE:						
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER FUND SOURCE:						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary.)

The Attorney General's comments will be forthcoming after an opportunity to review the bill.

Prepared by: Richard I. Peques, Director  
 Division: Administrative Services  
 Approved by Commissioner: Charles E. Cole, Attorney General  
 Agency: Department of Law

Phone: 465-3672  
 Date: March 5, 1992  
 Date: March 5, 1992

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., & Impacted Agency(ies).

# Alaska State Legislature



House of Representatives  
House Judiciary Committee  
Chairman Dave Donley

State Capitol  
Juneau, Alaska 99801-1182  
(907) 465-4990

TRANSMITTAL LETTER TO ACCOMPANY CSHB 486 (JUDICIARY)

The House Judiciary Committee requests that the House Finance Committee put appropriations in the budget for all Exxon Valdez Oil Spill Trust monies that will be transferred to state agencies, and the state's interest in funds transferred to federal agencies in FY'92 and FY'93.

HB486.LET/MTH

# State of Alaska

House Majority Leader  
COMMITTEES  
HOUSE JUDICIARY  
HOUSE RULES  
HOUSE STATE AFFAIRS  
SPECIAL COMMITTEE  
MILITARY AND VET. AFFAIRS  
LEGISLATIVE COUNCIL



Representative Max F. Gruenberg, Jr.  
District 11  
Spenard, Upper Midtown Anchorage

P.O. Box V  
JUNEAU, AK 99811  
(907) 465-3718  
465-4968/4986  
(SESSION)

3111 C STREET, SUITE 440  
ANCHORAGE, AK 99503  
(907) 561-7621

## M E M O R A N D U M

DATE: April 6, 1992

TO: Representative Mike Navarre  
Co-chair, House Finance Committee

FROM: Representative Max Gruenberg *MAX*

RE: CSHB 486 (JUD), "The Exxon Valdez Oil Spill Trust  
Contingent Appropriation Bill"

I would very much appreciate it if you would schedule HB 486 for a hearing as soon as it is possible.

HB 486 appropriates the states interest in the the Exxon Valdez oil spill settlement money paid by Exxon in FY '92 and FY '93 to the Exxon Valdez Oil Spill Trust. This appropriation is contingent on the taking effect of legislation creating Exxon Valdez Oil Spill Trust, requiring the state trustees to submit trust expenditures to the legislature for appropriation and to comply with the Alaska Executive Branch Ethics Act, and the Alaska Open Meetings Act. These contingencies will be satisfied with the enactment of CSHB 484(JUD), which is also presently in the House Finance Committee.

HB 486 was introduced at the request of the House Judiciary Committee Settlement Subcommittee.

The subcommittee asked legislative legal counsel to review the settlement for potential conflicts with our state statutes and the Alaska State Constitution. The subcommittee also asked for suggestions regarding legislation that would help make the trust work within our existing constitutional framework and

improve the state's position in the event of a legal challenge to the settlement.

The advice of legal counsel to the subcommittee was that in order to place the state in the best position to defend itself against a state constitutional challenge to the structure of the Exxon spill settlement, the legislature must appropriate the state's interest in the settlement money to the trust, when that money is paid by Exxon.

If you have any questions please call me or my legislative assistant, Mark Handley, at 465-4986.

Thank you.

HB486.TXT

# State of Alaska

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## M E M O R A N D U M

April 14, 1992

To: Representative Max Gruenberg  
Chair, Settlement Subcommittee

From: Mark Handley *MH*

Re: Sectional Analysis of HB 486 (JUD), "The Exxon Valdez Oil  
Spill Trust Contingent Appropriation Bill"

### Section 1

Appropriates the states interest in the the Exxon Valdez oil spill settlement money paid by Exxon in FY '92 and FY '93 to the Exxon Valdez Oil Spill Trust. This appropriation is contingent on the taking effect of legislation recognizing the Exxon Valdez Oil Spill Trust, prohibiting the state trustees from approving trust expenditures unless the expenditure is made to a government agency, and in accordance with a legislative appropriation, and requiring that state trustees comply with the Alaska Executive Branch Ethics Act, and the Alaska Open Meetings Act.

### Section 2

Provides for an immediate effective date.