

SB 165

HOUSE COMMITTEE REPORT

(11)

Date Referred: May 14, 1991

FURTHER REFERRALS:

Date of Committee Action: 5/17/91

The FINANCE Committee considered:

CSSB 165(TRA)

CS FOR SENATE BILL NO. 165 (TRANSPORTATION)

FERRIES WITH OIL SPILL RESPONSE ABILITY

"An Act relating to acquisition of vessels of the Alaska marine highway system having the capacity to assist in responding to spills of oil and hazardous substances."

RECOMMENDATIONS:

the same title

be replaced with _____ 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) DOTDF 5/1/91

zero fiscal note _____

zero fiscal note(s) DEC 5/1/91

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<u>Jay Brown</u> Brown	<input checked="" type="checkbox"/>	<u>Mike Navarre</u> Navarre		<input checked="" type="checkbox"/>	
<u>John Koponen</u> Koponen	<input checked="" type="checkbox"/>	<u>A. Mark Boyer</u> Boyer		X	
<u>Jim Ulmer</u> Ulmer	X	<u>Gene Jacko</u> Jacko		X	
		<u>Bob Sharp</u> Sharp		X	
		<u>Phil Phillips</u> Phillips			
		<u>Ronald Hanson</u> Hanson		X	

Mike Navarre NAVARRE
CHAIRMAN'S SIGNATURE

FISCAL NOTE

Revision Date:
Title: Ferries with Oil Spill Response Ability

Department Affected: DOT&PF
BRU:

Sponsor:
Requestor:

Component:
Component Serial Number:

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY92	FY93	FY94	FY95	FY96	FY97
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING:	0	0	0	0	0	0

CAPITAL	500.0	14,500.0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUNDS	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	500.0	14,500.0*	0	0	0	0
TOTAL FUNDING:	500.0	14,500.0	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

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary)

In FY92, \$0.5 million would be appropriated from the oil and hazardous response fund to the Alaska Marine Highway System for preliminary engineering to develop plans for both a new vessel and modifications to one or more vessels currently in the fleet. In FY93, \$14.5 million would be appropriated to the AMHS Vessel Replacement Fund to finance new ship construction and/or modifications to one or more vessels of the fleet.

*The actual cost may be less depending on final results of reconnaissance and engineering.

Prepared by: John Halterman

Phone: 465-3900

Division: Alaska Marine Highway System

Date: April 1, 1991

Approved by Commissioner: *Frank G. Turpin*
Frank G. Turpin

Phone: 465-3900

Agency: Department of Transportation and Public Facilities

Date: April 1, 1991

Distribution By Preparer: Legislative Finance, Legislative Sponsor, Requestor, OMB, Impacted Agency(ies).

FISCAL NOTE

0. 3
 Bill Version: CSSB 165 (TRANS)
 (S) Publish Date: 5/1/91

STATE OF ALASKA
 1991 LEGISLATIVE SESSION

Revision Date: _____ Department Affected: DEC
 Title: AMHS vessels with BRU: Environmental Quality
Spill response capabilities
 Sponsor: Senator Jay Kerttula Component: EQ Projects
 Requestor: _____

COMPONENT SERIAL NO. 1 1 0 | 1 1 6

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
OPERATING						
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME						
TEMPORARY						

Estimate of current year impact: NONE

ANALYSIS: (Attach a separate page if necessary.)

Prepared by: Janice Adair Phone: 465-2600
 Division: Commissioner's Office Date: _____
 Approved by Commissioner: [Signature]
 Agency: Dept. of Environmental Conservation Date: 5/1/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, t

Rev. 10/90

Changes in CSSB 165 (TRANS) have no fiscal impact. This fiscal note is appropriate.
5-1-91 [Signature]
 date Comte Aide (initial)

CS FOR SENATE BILL NO. 165 (TRANSPORTATION)
IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE TRANSPORTATION COMMITTEE

Offered: 4/5/91
Referred: Finance

Sponsor(s): SENATORS KERTTULA, Menard, Duncan

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to acquisition of vessels of the Alaska marine highway system having
2 the capacity to assist in responding to spills of oil and hazardous substances."

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

4 * Section 1. AS 19.65 is amended by adding a new section in article 1 to read:

5 Sec. 19.65.025. VESSEL DESIGN AND CONSTRUCTION. Under the authority
6 provided in AS 44.42.020(a)(1) to plan, design, construct, and maintain modes of transportation,
7 the commissioner of transportation and public facilities shall, subject to legislative appropriation
8 for the purpose, plan, design, and retrofit or construct vessels of the Alaska marine highway
9 system that, in addition to providing the freight and passenger services customarily provided by
10 the state's marine highway vessels, have the capability to assist in responding to, containing, and
11 cleaning up spills of oil and hazardous substances into the marine waters of the state.

12 * Sec. 2. AS 46.08.005 is amended to read:

13 Sec. 46.08.005. PURPOSE. The legislature finds and declares that the release of oil or
14 hazardous substances into the environment presents a real and substantial threat to the public

DIVISION OF LEGAL SERVICES

**LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA**

P.O. Box Y, Juneau, Alaska 99811
(907) 465-3867 or 465-2450
FAX (907) 465-2029

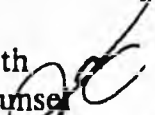
Deliveries to: 240 Main Street
Court Plaza, Room 500
Mail Stop 3101

MEMORANDUM

April 4, 1991

SUBJECT: Is language in AS 46.08 relating to the establishment of "emergency response depots" sufficient to authorize the development of depots aboard vessels of the Marine Highway System?

TO: Senator Jay Kerttula
ATTN: Kathy Hathaway

FROM: Jack Chenoweth
Legislative Counsel 

AS 46.08.120 provides:

The division [of emergency services, Department of Military and Veterans' Affairs] shall maintain emergency response depots in areas of the state determined in the plans prepared under AS 46.04.200 - 46.04.210 to be potential sites of releases or threatened releases of oil or hazardous substances. The depots shall be equipped and staffed in a manner that ensures prompt response when containment and cleanup actions are necessary.

You have asked whether the requirement authorizes the development of vessels as emergency response depots or the placement of emergency response depots on state vessels.

AS 46.08.190(2) offers a definition of the term "depot," but the definition is not helpful for our purposes.

I understand from Terri Lauterbach, who handled ch. 190, SLA 1990, the source of the language of the first sentence of the quoted material, that the drafting history of the provision sheds no light on whether the legislature contemplated vessel-based depots.

Senator Jay Kerttula

April 4, 1991

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A common dictionary definition of the term "depot" seems to presume a land-based place for storage of material. Webster's New World Dictionary, Second College Edition, in use in our offices, defines "depot" as "a storehouse [or] warehouse; a storage place for supplies." Citing specific cases in which the term is used and defined, Black's Law Dictionary describes a "depot" as "[a] place for the deposit of goods; a warehouse or storehouse," again implying a location on land. (However, one standard reference, Webster's Third New International Dictionary, expands upon the definition to include reference to storage or maintenance of "military or naval supplies," opening the door to use of supply or storage ships for support of marine activities.)

However, the use of the term "depot" in context would seem to preclude the state from developing marine depots aboard one or more vessels of the Marine Highway System without specific statutory authority to do so. The substantive element of the provision quoted requires that the emergency response depots be "in areas of the state determined in the plans prepared . . . to be potential sites of releases or threatened releases of oil or hazardous substances." In implementing that requirement, the plan developer must take into consideration the factors bearing upon development and implementation of the state master plan in AS 46.04.200. AS 46.04.200(b)(5) directs that the state master plan must "designate the locations where oil and hazardous substance emergency response depots should be established" The reference in subsection (b)(5) to "the locations" seems to me to contemplate placing depots at fixed shore-based sites rather than aboard marine response vessels that are a part of the Marine Highway System.

JC:gc

91-186.glc



Alaska Environmental Lobby, Inc.

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SB165 -- Ferries with Oil Response Capabilities 5/14/91

The Alaska Environmental Lobby supports the concept embodied in SB165.

SB165 enables vessels of the Alaska Marine Highway System to be equipped for oil spill response. In addition to providing the usual freight and passenger services, ferries would have the capability to assist in containment and clean-up of oil and other hazardous materials spilled in marine waters.

In case of a major spill, there must be sufficient oil response equipment available for containment and clean-up. Ferries daily ply the very waters that are at high risk for such a spill, so they are logical candidates to provide timely assistance. During the Exxon *Valdez* clean-up, Alaskan ferries played a supporting role by supplying housing, transportation, and communications facilities. However, the ferries were hampered by their lack of oil response equipment. SB165 ameliorates this deficiency.

Ferry vessels capable of spill containment and clean-up will aid in the timely remediation of marine spills. By operating in the waters of southwest, southeast, and southcentral Alaska, ferries are ideally located to assist swiftly in the event of a spill. It is necessary to acquire and maintain sufficient equipment to be ready to battle a major spill; equipping Alaska's ferries to provide aid in such situations is a reasonable extension of the state's capabilities.

Funding for the construction of new vessels and retrofitting of old vessels would come from the Oil and Hazardous Substance Release Response Fund. Since the purpose of this fund is to supply money for response to oil and hazardous substance spills, we support its use to pay for SB165.

prepared by Mollie TeVrucht

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