

ALASKA LEGISLATURE COMMITTEE FILES, 1989-1990 8672
6516 SENATE RESOURCES

920

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Administration
 Title: An Act concerning authority by BRU: Central Administration
State and its municipalities related to * Administrative Services
 Sponsor: Szymanski, Adams Components: Municipal Grants
 Requestor: _____

* environmental conservation

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
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	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
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)

There currently exists a fund used in making grants to municipalities and village councils for those costs attributed to oil and hazardous substance release response. The fund is administered solely by the Department of Community and Regional Affairs. This bill would create an additional fund, the same in all respects except that its use would be for oil and hazardous substance municipal impact. The new fund would also be administered only by the Department of Community and Regional Affairs. There is not anticipated to be any involvement by the Department of

Administration Municipal Grants Program

Prepared by: Mike Maher *M. Maher*

Phone: 465-2277

Division: Administrative Services

Date: 01/17/90

Approved by Commissioner: Frank S. Baxter *Frank S. Baxter*

Date: 1/14/90

Agency: Department of Administration

Distribution (by preparer):

Legislative Finance

Legislative Sponsor

Requestor

Office of Management and Budget

Impacted Agency(ies)

Changes in CS SB 359 (O&G) *JH*

have no fiscal impact.

This fiscal note is

appropriate.

FISCAL NOTE

REQUEST:

Revision Date: _____
 Title: An Act relating to municipal assistance: oil spill response fund.
 Sponsor: Senator Szymanski
 Requestor: _____

Agency Affected: Community & Regional Affairs
 BRU: _____
 Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	*	*	*	*	*	*
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER	*	*	*	*	*	*
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

There is no fiscal effect for FY 90.

*Please see attachment.

Prepared by: Jim Piasman, Deputy Director Phone: 465-4750
 Division: Municipal & Regional Assistance Date: _____

Approved by Commissioner: [Signature] DC, CRA Date: 9/1/90
 Agency: Department of Community & Regional Affairs

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

STATE OF ALASKA 1990 - 16TH LEGISLATURE
SECOND SESSION
FISCAL NOTE

Bill Number: CS SS for Senate Bill 359

Title: "An Act relating to municipal assistance: oil spills"

While this bill will have a specific fiscal impact upon the department, the impact will occur only if the release of oil or other hazardous substance triggers the operation of the fund. Because of the conditional nature of this impact, no fiscal impact is indicated in a specific fiscal year. It would be the intention of the department to take funding for these positions from the fund itself once the fund became operational. The anticipated impact would include positions and funds to manage the operation of the grant program.

Position Title Local Government Specialist IV		No. of Positions 1	Range/Step 19 A	Barg. Unit XE	
Time Status Temporary	Staff Months 12	Location Juneau		Election District	
Type of Expenditure		Justification			
		<p>This position will be needed to provide technical assistance to local government administrators in determining the extent of local impacts, developing and implementing strategies for community recovery, and applying for the grant monies to carry out these strategies. This position would be temporary and may not be needed for the full 12 months reflected, depending upon community progress. The funding source would be a percent of the total funds available.</p>			
Amount					
1	2				3
Salary	40.2				
Benefits	13.5				
Premium Pay					
Other					
Total Personal Services					53.7
Travel					10.0
Contractual					3.0
Commodities					
Equipment					
Other					
Total Cost		66.7			
Funding Source for Total Cost					
Federal Receipts	1002				
G. F. Match	1003				
General Fund	1004	66.7			
I-A Receipts	1006				
CIP Receipts	1061				
Other					

595

**Request For
New Position**

Agency Community & Regional Affairs
 BRU Local Government Assistance
 Component Training & Development

FY 91

Page 3 of 5
 Revised Date _____

Position Title Grant Administrator II		No. of Positions 1	Range/Step 17A	Barg. Unit GGU
Time Status Temporary	Staff Months 12 Months	Location Anchorage/Juneau		Election District
		Justification		
Type of Expenditure		Amount		
1	2	3		
Salary	35.0			
Benefits	12.2			
Premium Pay				
Other				
Total Personal Services		47.2		
Travel				
Contractual				
Commodities				
Equipment				
Other				
Total Cost		47.2		
Funding Source for Total Cost				
Federal Receipts	1002			
G. F. Match	1003			
General Fund	1004			
I-A Receipts	1006			
CIP Receipts	1061			
Other		47.2		

During the recent oil spill, DCRA administered an oil spill grant program of \$1,160,000. Based on experience with this program, one temporary position to prepare grant/contractual documents will be needed during program activity. This position would be responsible for developing the agreement, reviewing payment requests, monitoring the project until completion, then finally closing out the grant. This position is budgeted here at salary for 12 months funded from the amount designated in the bill. Actual staff months worked depends on extent of disaster.

5 of 7

**Request For
New Position**

Agency Department of Community & Regional Affairs
 BRU Admin & Support
 Component Admin Services

Page 4 of 5
 Revised Date

FY 91

Position Title Accountant II		No. of Positions 1	Range/Step 16A	Barg. Unit GGU
Time Status Temp	Staff Months 12 Months		Location Juneau	Election District
Type of Expenditure		Amount		
1	2	3		
Salary	32.4			
Benefits	11.9			
Premium Pay				
Other				
Total Personal Services		44.3		
Travel				
Contractual				
Commodities				
Equipment				
Other				
Total Cost		44.3		
Funding Source for Total Cost				
Federal Receipts	1002			
G. F. Match	1003			
General Fund	1004			
I-A Receipts	1006			
CIP Receipts	1061			
Other		44.3		
<p>Justification</p> <p>An Accountant II will be needed to respond to the increased activity that would be generated by a program of this size. Staff in the fiscal section of DCRA are presently working to capacity due to addition of new and expanded programs in recent years. This position would be temporary during the time of highest fiscal activity. The position is described as 12 months but may be of shorter duration.</p> <p>This position would have fiscal oversight of all billings, entries on the state accounting systems and report preparation for management.</p> <p>Funding source would be part of a percent of total funds available.</p>				

5/8/5

**Request For
New Position**

Agency Department of Community & Regional Affairs
 BRU Admin & Support
 Component Admin Services

FY 91

Page **5** of **5**
 Revised Date

STATE OF ALASKA
1990 LEGISLATIVE SESSION

BILL VERSION: CS SSSB 359(O&G)(c)
PUBLISH DATE: 3/13/90

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Environ. Conservation
Title: An Act Concerning Municipal
assistance/oil spill fund BRU: Environmental Quality
Sponsor: Senator Szymanski Components: Environmental Quality
Requestor: Senate Oil & Gas Committee

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	144.0	144.0	144.0	144.0	144.0	144.0
TRAVEL	10.0	10.0	10.0	10.0	10.0	10.0
CONTRACTUAL	24.0	24.0	24.0	24.0	24.0	24.0
SUPPLIES	3.0	3.0	3.0	3.0	3.0	3.0
EQUIPMENT	15.0	15.0	15.0	15.0	15.0	15.0
LAND&STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS,CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	196.0	196.0	196.0	196.0	196.0	196.0
CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
REVENUE	0.0	0.0	0.0	0.0	0.0	0.0

FUNDING: (Thousands of Dollars)

GENERAL FUND	196.0	196.0	196.0	196.0	196.0	196.0
FEDERAL FUNDS	0.0	0.0	0.0	0.0	0.0	0.0
OTHER	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	196.0	196.0	196.0	196.0	196.0	196.0

POSITIONS:

FULL-TIME	3.0	3.0	3.0	3.0	3.0	3.0
PART-TIME	0.0	0.0	0.0	0.0	0.0	0.0
TEMPORARY	0.0	0.0	0.0	0.0	0.0	0.0

ANALYSIS: (Attach a separate page if necessary)
The impact for FY 90 is unclear and would depend on when the legislation is effective and what portions needed to be enacted immediately. Further analysis is attached.

Prepared by: Lynn Kent
Division: Environmental Quality

Phone: 465-2630
Date: 3/7/90

Approved by Commissioner: *ADL*
Agency: Environmental Conservation

Date: 3/7/90

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

DEPARTMENT OF ENVIRONMENTAL CONSERVATION
ANALYSIS FOR CSSB 359 (O & G) FISCAL NOTE

Section 1 - 4

Sections 1 - 4 provide that municipalities exercising extra-territorial jurisdiction be consistent in their actions and ordinances with regional contingency plans for response. This ensures a coordinated effort. To accomplish, the Department will work with communities on development of any ordinances and will review those that are adopted.

Section 5

Section 5 establishes authority in the Department of Community and Regional Affairs for community assistance grants for secondary social and economic assistance. These grants are funded from the existing Oil and Hazardous Substance Release Response Fund. Up to \$10 million from the Fund may be used for these grants. While there is no direct financial impact on the department's budget from this provision, it reduces the amount available for emergency first response, by either the state or communities, by up to \$10 million.

Section 10

Section 10 requires the department to consult with municipalities in developing agreements with federal agencies on response mechanisms and related topics. This will pose an increased workload upon the department.

Section 13

Section 13 authorizes the Commissioner of Community and Regional Affairs to spend an undefined amount of the Response Fund for "impact assessments." This will also reduce the amount available for emergency first response by the amount devoted to this task.

Section 14

Authorizes the Department to advance funds to communities for emergency first response, as provided in an agreement with the department. It also adds villages to the list of entities that may sign agreements for emergency first response with the department. This will increase the number of parties that may request agreements.

The following positions are needed to carry out these efforts.

<u>Position</u>	<u>100</u>	<u>200</u>	<u>300</u>	<u>400</u>	<u>500</u>	<u>Total</u>
Ecologist III	57.7	5.0	8.0	1.0	5.0	\$76.7
Ecologist III	57.7	5.0	8.0	1.0	5.0	\$76.7
Clerk Typist III	28.6		8.0	1.0	5.0	\$42.6
TOTALS	144.0	10.0	24.0	3.0	15.0	\$196.0

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Department of Revenue
 Title: Municipal Assistance: Oil BRU: Treasury
 Response Fund _____
 Sponsor: Szymanski Components: _____
 Requestor: Senate Oil & Gas

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
OPERATING						
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
LANDS & 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	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
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 for analysis.

Fiscal year 1990 effect is zero.

Prepared By: Milt Barker MB
 Division: Treasury

Phone: 465-2350
 Date: February 7, 1990

Approved by Commissioner: [Signature]
 Agency: Department of Revenue

Date: 2/11/90

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

would continue through 1990.

Changes in CS58359 (ORU)
 have no fiscal impact.
 This fiscal note is
 appropriate.

STATE OF ALASKA 1990 - 16TH LEGISLATURE
SECOND SESSION
FISCAL NOTE

Bill Number: Sponsor Substitute for Senate Bill 359

Title: "An Act relating to municipal assistance: oil spills"

While this bill will have a specific fiscal impact upon the department, the impact will occur only if the release of oil or other hazardous substance triggers the operation of the fund. Because of the conditional nature of this impact, no fiscal impact is indicated in a specific fiscal year. It would be the intention of the department to take funding for these positions from the fund itself once the fund became operational. The anticipated impact would include positions and funds to manage the operation of the grant program.

JCH

2072

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Department of Revenue
 Title: Municipal Oil Spill Fund BRU: Oil & Gas Audit Division
 Sponsor: Szymanski, Adams, Zharoff Components: _____
 Requestor: Senate Resources

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
OPERATING						
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LANDS & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING						
CAPITAL						
REVENUE	0	0	See Analysis			

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page for analysis.

Prepared By: Charles L. Logsdon Phone: 277-5627
 Division: Oil & Gas Audit Division Date: March 12, 1990
 Approved by Commissioner: Hugh Malone Date: 3/12/90
 Agency: Department of Revenue

Distribution (by preparer):

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

CS 55 SB 359
Fiscal Note Analysis

The bill leaves the cap under which the \$.05/bbl oil surcharge is levied at \$50 million. The zero revenues shown on the fiscal note show that the cap is unchanged. Collections of the surcharge through December amounted to \$11 million. The balance in the hazardous spill fund was \$32 million effective January 1990. (FY 90 collections were for 11 months of the year.)

The surcharge is directly dependent on oil production. The maximum amount of revenue that could be collected from a \$.05/bbl surcharge, assuming the Department of Revenue Mid Scenario production estimates, is as follows:

TOTAL MAXIMUM REVENUE FROM A \$.05/BARREL SURCHARGE

Fiscal Year	Production * (MM bbl/day)	Revenue (MM \$)	Cumulative Revenue
1990	1.816	26.6	26.6
1991	1.691	27.0	53.6
1992	1.567	25.0	78.6
1993	1.504	24.0	102.6
1994.	1.458	23.4	126.1
1995	1.350	21.5	147.6
1996	1.189	19.0	166.6
1997	1.032	16.5	183.1
1998	0.920	14.7	197.8
1999	0.800	12.8	210.6
2000	0.683	10.9	221.5

* Excludes NGLs.

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: "An Act... recovery of damages...
state and its municipalities and villages..."
Sponsor: Senate Oil and Gas
Requestor: Senate Oil and Gas

Agency Affected: Department of Law
BRU: Legal Services
Components: Operations

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

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

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Please see the attached analysis.

Prepared by: Richard I. Pegues, Director

Division: Administrative Services, A

Approved by Commissioner: Richard I. Pegues / BR /
Douglas B. Bailly, Attorney General

Agency: Department of Law

Phone: 465-3672

Date: March 7, 1990

Date: March 7, 1990

Distribution (by preparer):

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

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. CSSB 359 (Oil and Gas)

The committee substitute for SB 359 amends AS 29 to provide for a state assistance grant program for municipalities and villages, from the oil and hazardous substance release response fund, for the containment and cleanup of oil and hazardous substance spills. Although the Department of Law may be involved in providing legal advice to the Departments of Community and Regional Affairs and Environmental Conservation, in respect to implementing the bills provisions, the department would not ordinarily be involved in the assistance program and fiscal note funds are therefore not required.

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Administration
 Title: An Act concerning authority by BRU: Central Administration
State and its municipalities related to * Administrative Services
 SPONSOR: Szymanski, Adams Components: Municipal Grants
 Requestor: _____

* environmental conservation

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
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	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
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)

There currently exists a fund used in making grants to municipalities and village councils for those costs attributed to oil and hazardous substance release response. The fund is administered solely by the Department of Community and Regional Affairs. This bill would create an additional fund, the same in all respects except that its use would be for oil and hazardous substance municipal impact. The new fund would also be administered only by the Department of Community and Regional Affairs. There is not anticipated to be any involvement by the Department of Administration Municipal Grants Program.

Prepared by: Mike Maher *Mike Maher* Phone: 465-2277
 Division: Administrative Services Date: 01/17/90

Approved by Commissioner: Frank S. Baxter *Frank S. Baxter* Date: 1/19/90
 Agency: Department of Administration

Distribution (by preparer):

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

FISCAL NOTE

REQUEST:

Revision Date: _____
 Title: An Act relating to municipal assistance: oil spill response fund.
 Sponsor: Szymanski
 Requestor: _____

Agency Affected: Community & Regional Affairs
 BRU: _____
 Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	*	*	*	*	*	*
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

No fiscal impact anticipated in FY 90.

* See attached analysis.

Prepared by: *Jim Plasman* Phone: 465-4750
 Division: Municipal & Regional Assistance Date: _____
 Approved by Commissioner: *Howard G. Kilburn* Date: 7-1-90
 Agency: Community & Regional Affairs

Distribution (by preparer):

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

Position Title Local Government Specialist IV		No. of Positions 1	Range/Step 19 A	Burg. Unit XE
Time Status Temporary	Staff Months 12	Location Juneau		Election District
Justification:				
This position will be needed to provide technical assistance to local government administrators in determining the extent of local impacts, developing and implementing strategies for community recovery, and applying for the grant monies to carry out these strategies. This position would be temporary and may not be needed for the full 12 months reflected, depending upon community progress. The funding source would be a percent of the total funds available.				
Type of Expenditure		Amount		
1	2	3		
Salary	40.2			
Benefits	13.5			
Premium Pay				
Other				
Total Personal Services		53.7		
Travel		10.0		
Contractual		3.0		
Commodities				
Equipment				
Other				
Total Cost		66.7		
Funding Source for Total Cost				
Federal Receipts 1002				
G. F. Match 1003				
General Fund 1004		66.7		
I-A Receipts 1006				
CIP Receipts 1061				
Other				

402

**Request For
New Position**

Agency Community & Regional Affairs
 BRU Local Government Assistance
 Component Training & Development

Page 2 of 4
 Revised Date

FY 91

Position Title Grant Administrator II			No. of Positions 1	Range/Step 17A	Barg. Unit GGU
Time Status Temporary	Staff Months 12 Months		Location Anchorage/Juneau		Election District
			Justification		
Type of Expenditure			Amount		
1			2		3
Salary			35.0		
Benefits			12.2		
Premium Pay					
Other					
Total Personal Services					47.2
Travel					
Contractual					
Commodities					
Equipment					
Other					
Total Cost					47.2
Funding Source for Total Cost					
Federal Receipts 1002					
G. F. Match 1003					
General Fund 1004					
I-A Receipts 1006					
CIP Receipts 1061					
Other					47.2

During the recent oil spill, DCRA administered an oil spill grant program of \$1,160,000. Based on experience with this program, one temporary position to prepare grant/contractual documents will be needed during program activity. This position would be responsible for developing the agreement, reviewing payment requests, monitoring the project until completion, then finally closing out the grant. This position is budgeted here at salary for 12 months funded from the amount designated in the bill. Actual staff months worked depends on extent of disaster.

4203

**Request For
New Position**

Agency Department of Community & Regional Affairs
 BRU Admin & Support
 Component Admin Services

Page 3 of 4
 Revised Date

FY 91

457 J

Position Title Accountant II		No. of Positions 1	Range/Step 16A	Barg. Unit GGU
Time Status Temp	Staff Months 12 Months	Location Juneau		Election District
Justification				
<p>An Accountant II will be needed to respond to the increased activity that would be generated by a program of this size. Staff in the fiscal section of DCRA are presently working to capacity due to addition of new and expanded programs in recent years. This position would be temporary during the time of highest fiscal activity. The position is described as 12 months but may be of shorter duration.</p> <p>This position would have fiscal oversight of all billings, entries on the state accounting systems and report preparation for management.</p> <p>Funding source would be part of a percent of total funds available.</p>				
Type of Expenditure		Amount		
1	2	3		
Salary	32.4			
Benefits	11.9			
Premium Pay				
Other				
Total Personal Services		44.3		
Travel				
Contractual				
Commodities				
Equipment				
Other				
Total Cost		44.3		
Funding Source for Total Cost				
Federal Receipts	1002			
G. F. Match	1003			
General Fund	1004			
I-A Receipts	1006			
CIP Receipts	1061			
Other		44.3		

**Request For
New Position**

Agency Department of Community & Regional Affairs
 BRU Admin & Support
 Component Admin Services

Page 4 of 4
 Revised Date

FY 91

FISCAL NOTE

REQUEST:

Revision Date: _____
 Title: An Act Concerning Municipal
assistance/oil spill fund
 Sponsor: Senator Szymanski
 Requestor: Senate Oil & Gas Committee

Agency Affected: Environmental Conservation
 BRU: Environmental Quality
 Components: Environmental Quality

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	144.0	144.0	144.0	144.0	144.0	144.0
TRAVEL	10.0	10.0	10.0	10.0	10.0	10.0
CONTRACTUAL	95.5	95.5	95.5	95.5	95.5	95.5
SUPPLIES	3.0	3.0	3.0	3.0	3.0	3.0
EQUIPMENT	15.0	15.0	15.0	15.0	15.0	15.0
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	267.5	267.5	267.5	267.5	267.5	267.5

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	267.5	267.5	267.5	267.5	267.5	267.5
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	267.5	267.5	267.5	267.5	267.5	267.5

POSITIONS:

FULL-TIME	3	3	3	3	3	3
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS : (Attach a separate page if necessary)

The impact for Fy 90 is unclear and would depend on when the legislation is effective and what portions needed to be enacted immediately. Further analysis is attached.

Prepared by: Lynn Kent
 Division: Environmental Quality

Phone: 465-2630
 Date: 1/26/90

Approved by Commissioner: [Signature]
 Agency: Environmental Conservation

Date: 1/31/90

Distribution (by preparer):

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

Sections 1-12

Sections 1-12 will not require additional resources for the Department of Environmental Conservation.

Section 14 and 19

Section 14 does not substantially add additional authority for the Department to enter into agreements with local governments. This section would increase the emphasis on local agreements. To expedite the development of these agreements, the Department would enter into agreements with many municipalities and village councils. Two additional FTE (\$153.4) will be necessary to develop, maintain, execute, and account for the agreements. The department does not support a mandated 48 hour deadline for review of agreements in catastrophic events, but would intend to establish agreements in advance.

The Department will require one clerk typist (\$42.6) to support the additional staff.

Position	100	200	300	400	500	Total
Ecologist III	57.7	5.0	8.0	1.0	5.0	\$76.7
Ecologist III	57.7	5.0	8.0	1.0	5.0	\$76.7
Clerk Typist III	28.6		8.0	1.0	5.0	\$42.6
TOTALS	144.0	10.0	24.0	3.0	15.0	\$196.0

Section 15

Section 15 of the bill requires that the Department carry out a public review process of all contingency plans. There are approximately 270 contingency plans that must be reviewed by the Department a minimum of every three years. This equates to about 90 full contingency plan reviews annually.

In order to provide for a public review process for all contingency plans -- as opposed to only the major plans -- contractual funding in the amount of \$71.5 will be required for copying, advertising, mailing, and public meeting rooms.

Position	100	200	300	400	500	Total
(Contractual)			71.5			\$71.5
TOTALS			71.5			\$71.5

2084

Position Title Ecologist III			No. of Positions 2	Range/Step 20A	Barg. Unit GGU
Time Status PFT	Staff Months 12	Location Juneau		Election District 04	
Type of Expenditure			Amount		
1	2	3			
Salary	86.2				
Benefits	29.2				
Furniture Pay					
Other					
Total Personal Services		115.4			
Travel		10.0			
Contractual		16.0			
Commodities		2.0			
Equipment		10.0			
Other					
Total Cost		153.4			
Funding Source for Total Cost					
Federal Receipts	1002				
G. P. Match	1003				
General Fund	1004	153.4			
GP Program Receipts	1005				
Other					

Justification
 The department currently has authority to enter into negotiations for memoranda of understanding or cooperative agreements with various agencies and persons to facilitate oil discharge responses, provide for review of oil discharge contingency plans and inspect oil terminal facilities. This legislation adds that we must enter into agreements with municipalities and village councils as well. In order to develop, maintain, execute and account for the many additional agreements that this will entail, these two new positions will be needed to handle the extra workload.

3084

**Request For
New Position**

Agency Environmental Conservation
 BRU Environmental Quality
 Component Oil and Hazardous Substance Spill Response

Page 3 of 4
 Revised Date

FY 91

Position Title Clerk Typist III			No. of Positions 1	Range/Step 8A	Barg Unit GGU
Time Status PFT	Staff Months 12		Location Juneau		Election District 04
Type of Expenditure			Amount		
1			2		3
Salary			19.6		
Benefits			9.0		
Premium Pay					
Other					
Total Personal Services			28.6		\$
Travel			0		
Contractual			8.0		
Commodities			1.0		
Equipment			5.0		
Other					
Total Cost			42.6		\$
Funding Source for Total Cost					
Federal Receipts 1002					
G. F. Match 1003					
General Fund 1004			42.6		
CF Program Receipts 1005					
Other					
Justification					
To carry out the requirements of this legislation, it will take two new positions. This position would provide support to the additional staff.					

**Request For
New Position**

Agency Department of Environmental Conservation
 BRU Environmental Quality
 Component Oil and Hazardous Substance Spill

Page 4 of 4
 Revised Date _____

FY 91

Response

4 of 4

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Municipal Assistance: Oil
Response Fund _____
Sponsor: Szymanski
Requestor: Senate Oil & Gas

Agency Affected: Department of Revenue
BRU: Treasury
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
OPERATING						
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
LANDS & 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	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
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 for analysis.

Fiscal year 1990 effect is zero.

Prepared By: Milt Barker MB
Division: Treasury

Phone: 465-2350
Date: February 7, 1990

Approved by Commissioner: [Signature]
Agency: Department of Revenue

Date: 2/11/90

Distribution (by preparer):

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

STATE OF ALASKA 1990 - 16TH LEGISLATURE
SECOND SESSION
FISCAL NOTE

Bill Number: Sponsor Substitute for Senate Bill 359

Title: "An Act relating to municipal assistance: oil spills"

While this bill will have a specific fiscal impact upon the department, the impact will occur only if the release of oil or other hazardous substance triggers the operation of the fund. Because of the conditional nature of this impact, no fiscal impact is indicated in a specific fiscal year. It would be the intention of the department to take funding for these positions from the fund itself once the fund became operational. The anticipated impact would include positions and funds to manage the operation of the grant program.

DCN

2072

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Municipal Oil Spill Fund

Agency Affected: Department of Revenue
BRU: Oil & Gas Audit Division

Sponsor: Szymanski
Requestor: _____

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
OPERATING						
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LANDS & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING						
CAPITAL						
REVENUE	.3600	21400	See Analysis			

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page for analysis.

Prepared By: Charles L. Logsdon
Division: Oil & Gas Audit Division

Phone: 277-5627
Date: January 31, 1990

Approved by Commissioner: Hugh Malone
Agency: Department of Revenue

Date: 2/1/1990

Distribution (by preparer):

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

SS SB 359
Fiscal Note Analysis

The bill creates a municipal oil spill fund and raises the cap under which the \$.05/bbl oil surcharge is levied from \$50 million to \$75 million. The revenues shown on the fiscal note of \$3.6 million and \$21.4 million reflect the additional collections attributed to raising the cap. The cap is based on the difference between the amount collected to date under this surcharge and the amount expended from the Oil and Hazardous Release Fund. Collections of the surcharge through December amounted to \$11 million. The balance in the hazardous spill fund was \$32 million effective January 1990. (FY 90 collections were for 11 months of the year.)

The surcharge is directly dependent on oil production. The maximum amount of revenue that could be collected from a \$.05/bbl surcharge, assuming the Department of Revenue Mid Scenario production estimates, is as follows:

TOTAL MAXIMUM REVENUE FROM A \$.05/BARREL SURCHARGE

Fiscal Year	Production * (MM bbl/day)	Revenue (MM \$)	Cumulative Revenue
1990	1.816	26.6	26.6
1991	1.691	27.0	53.6
1992	1.567	25.0	78.6
1993	1.504	24.0	102.6
1994	1.468	23.4	126.1
1995	1.350	21.5	147.6
1996	1.189	19.0	166.6
1997	1.032	16.5	183.1
1998	0.920	14.7	197.8
1999	0.800	12.8	210.6
2000	0.683	10.9	221.5

The table indicates that the surcharge will collect \$75 million by late FY 92.

* Excludes NGLs.

**THE FOLLOWING DEPARTMENTS HAVE SUBMITTED FISCAL NOTES FOR
CS SB 359 (O&G) AS ATTACHED:**

DEPARTMENT OF ADMINISTRATION

DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

DEPARTMENT OF ENVIRONMENTAL CONSERVATION

DEPARTMENT OF REVENUE DIVISION OF TREASURY

DEPARTMENT OF REVENUE OIL AND GAS AUDIT DIVISION

DEPARTMENT OF LAW

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Administration
 Title: An Act concerning authority by BRU: Central Administration
State and its municipalities related to * Administrative Services
 Sponsor: Szymanski, Adams Components: Municipal Grants
 Requestor: _____

* environmental conservation

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
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	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
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)

There currently exists a fund used in making grants to municipalities and village councils for those costs attributed to oil and hazardous substance release response. The fund is administered solely by the Department of Community and Regional Affairs. This bill would create an additional fund, the same in all respects except that its use would be for oil and hazardous substance municipal impact. The new fund would also be administered only by the Department of Community and Regional Affairs. There is not anticipated to be any involvement by the Department of

Administration Municipal Grants Program

Prepared by: Mike Maher Phone: 465-2277

Division: Administrative Services Date: 01/17/90

Approved by Commissioner: Frank S. Baxter Date: 1/14/90

Agency: Department of Administration

Distribution (by preparer):

Legislative Finance

Legislative Sponsor

Requestor

Office of Management and Budget

Impacted Agency(ies)

Changes in CS SB 359 (06)

have no fiscal impact.

This fiscal note is

appropriate.

FISCAL NOTE

REQUEST: _____

Revision Date: _____
 Title: An Act relating to municipal assistance: oil spill response fund.
 Sponsor: Senator Szymanski
 Requestor: _____

Agency Affected: Community & Regional Affairs
 BRU: _____
 Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	*	*	*	*	*	*
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER	*	*	*	*	*	*
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

There is no fiscal effect for FY 90.

*Please see attachment.

Prepared by: Jim Plasman, Deputy Director

Phone: 465-4750

Division: Municipal & Regional Assistance

Date: _____

Approved by Commissioner: John C. Carr D.C. Carr
 Agency: Department of Community & Regional Affairs

Date: 9/11/90

Distribution (by preparer):

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

STATE OF ALASKA 1990 - 16TH LEGISLATURE
SECOND SESSION
FISCAL NOTE

Bill Number: CS SS for Senate Bill 359

Title: "An Act relating to municipal assistance: oil spills"

While this bill will have a specific fiscal impact upon the department, the impact will occur only if the release of oil or other hazardous substance triggers the operation of the fund. Because of the conditional nature of this impact, no fiscal impact is indicated in a specific fiscal year. It would be the intention of the department to take funding for these positions from the fund itself once the fund became operational. The anticipated impact would include positions and funds to manage the operation of the grant program.

Position Title Local Government Specialist IV		No. of Positions 1	Range/Step 19 A	Barg. Unit XE
Time Status Temporary	Staff Months 12	Location Juneau		Election District
Justification				
This position will be needed to provide technical assistance to local government administrators in determining the extent of local impacts, developing and implementing strategies for community recovery, and applying for the grant monies to carry out these strategies. This position would be temporary and may not be needed for the full 12 months reflected, depending upon community progress. The funding source would be a percent of the total funds available.				
Type of Expenditure		Amount		
1	2	3		
Salary	40.2			
Benefits	13.5			
Premium Pay				
Other				
Total Personal Services		53.7		
Travel		10.0		
Contractual		3.0		
Commodities				
Equipment				
Other				
Total Cost		66.7		
Funding Source for Total Cost				
Federal Receipts	1002			
G. F. Match	1003			
General Fund	1004	66.7		
I-A Receipts	1006			
CIP Receipts	1061			
Other				

**Request For
New Position**

Agency Community & Regional Affairs
 BRU Local Government Assistance
 Component Training & Development

Page 3 of 5
 Revised Date

FY 91

Position Title Grant Administrator II			No. of Positions 1	Range/Step 17A	Barg. Unit GGU
Time Status Temporary	Staff Months 12 Months		Location Anchorage/Juneau		Election District
			Justification		
Type of Expenditure			Amount		
1	2			3	
Salary	35.0				
Benefits	12.2				
Premium Pay					
Other					
Total Personal Services				47.2	
Travel					
Contractual					
Commodities					
Equipment					
Other					
Total Cost				47.2	
Funding Source for Total Cost					
Federal Receipts	1002				
G. F. Match	1003				
General Fund	1004				
I-A Receipts	1006				
CIP Receipts	1061				
Other				47.2	

During the recent oil spill, DCRA administered an oil spill grant program of \$1,160,000. Based on experience with this program, one temporary position to prepare grant/contractual documents will be needed during program activity. This position would be responsible for developing the agreement, reviewing payment requests, monitoring the project until completion, then finally closing out the grant. This position is budgeted here at salary for 12 months funded from the amount designated in the bill. Actual staff months worked depends on extent of disaster.

**Request For
New Position**

Agency Department of Community & Regional Affairs
 BRU Admin & Support
 Component Admin Services

Page 4 of 5
 Revised Date

FY 91

Position Title Accountant II		No. of Positions 1	Range/Step 1GA	Barg. Unit CGU
Time Status Temp	Staff Months 12 Months	Location Juneau		Election District
Justification				
<p>An Accountant II will be needed to respond to the increased activity that would be generated by a program of this size. Staff in the fiscal section of DCRA are presently working to capacity due to addition of new and expanded programs in recent years. This position would be temporary during the time of highest fiscal activity. The position is described as 12 months but may be of shorter duration.</p> <p>This position would have fiscal oversight of all billings, entries on the state accounting systems and report preparation for management.</p> <p>Funding source would be part of a percent of total funds available.</p>				
Type of Expenditure		Amount		
1	2	3		
Salary	32.4			
Benefits	11.9			
Premium Pay				
Other				
Total Personal Services		44.3		
Travel				
Contractual				
Commodities				
Equipment				
Other				
Total Cost		44.3		
Funding Source for Total Cost				
Federal Receipts 1002				
G. F. Match 1003				
General Fund 1004				
I-A Receipts 1006				
CIP Receipts 1061				
Other		44.3		

**Request For
New Position**

Agency Department of Community & Regional Affairs
 BRU Admin & Support
 Component Admin Services

Page 5 of 5
 Revised Date

FY 91

STATE OF ALASKA
1990 LEGISLATIVE SESSION

BILL VERSION : CSSB 359 (Oil & Gas)
PUBLISH DATE : 3/7/90

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Environ. Conservation
Title: An Act Concerning Municipal
assistance/oil spill fund BRU: Environmental Quality
Sponsor: Senator Szymanski Components: Environmental Quality
Requestor: Senate Oil & Gas Committee

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	144.0	144.0	144.0	144.0	144.0	144.0
TRAVEL	10.0	10.0	10.0	10.0	10.0	10.0
CONTRACTUAL	24.0	24.0	24.0	24.0	24.0	24.0
SUPPLIES	3.0	3.0	3.0	3.0	3.0	3.0
EQUIPMENT	15.0	15.0	15.0	15.0	15.0	15.0
LAND&STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	196.0	196.0	196.0	196.0	196.0	196.0

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE	0.0	0.0	0.0	0.0	0.0	0.0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	196.0	196.0	196.0	196.0	196.0	196.0
FEDERAL FUNDS	0.0	0.0	0.0	0.0	0.0	0.0
OTHER	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	196.0	196.0	196.0	196.0	196.0	196.0

POSITIONS:

FULL-TIME	3.0	3.0	3.0	3.0	3.0	3.0
PART-TIME	0.0	0.0	0.0	0.0	0.0	0.0
TEMPORARY	0.0	0.0	0.0	0.0	0.0	0.0

ANALYSIS: (Attach a separate page if necessary)

The impact for FY 90 is unclear and would depend on when the legislation is effective and what portions needed to be enacted immediately. Further analysis is attached.

Prepared by: Lynn Kent

Division: Environmental Quality

Phone: 465-2630

Date: 3/7/90

Approved by Commissioner: AD/Kyle

Agency: Environmental Conservation

Date: 3/7/90

Distribution (by preparer) :

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

DEPARTMENT OF ENVIRONMENTAL CONSERVATION
ANALYSIS FOR CSSB 359 (O & G) FISCAL NOTE

Section 1 - 4

Sections 1 - 4 provide that municipalities exercising extra-territorial jurisdiction be consistent in their actions and ordinances with regional contingency plans for response. This ensures a coordinated effort. To accomplish, the Department will work with communities on development of any ordinances and will review those that are adopted.

Section 5

Section 5 establishes authority in the Department of Community and Regional Affairs for community assistance grants for secondary social and economic assistance. These grants are funded from the existing Oil and Hazardous Substance Release Response Fund. Up to \$10 million from the Fund may be used for these grants. While there is no direct financial impact on the department's budget from this provision, it reduces the amount available for emergency first response, by either the state or communities, by up to \$10 million.

Section 10

Section 10 requires the department to consult with municipalities in developing agreements with federal agencies on response mechanisms and related topics. This will pose an increased workload upon the department.

Section 13

Section 13 authorizes the Commissioner of Community and Regional Affairs to spend an undefined amount of the Response Fund for "impact assessments." This will also reduce the amount available for emergency first response by the amount devoted to this task.

Section 14

Authorizes the Department to advance funds to communities for emergency first response, as provided in an agreement with the department. It also adds villages to the list of entities that may sign agreements for emergency first response with the department. This will increase the number of parties that may request agreements.

The following positions are needed to carry out these efforts.

<u>Position</u>	<u>100</u>	<u>200</u>	<u>300</u>	<u>400</u>	<u>500</u>	<u>Total</u>
Ecologist III	57.7	5.0	8.0	1.0	5.0	\$76.7
Ecologist III	57.7	5.0	8.0	1.0	5.0	\$76.7
Clerk Typist III	28.6		8.0	1.0	5.0	\$42.6
TOTALS	144.0	10.0	24.0	3.0	15.0	\$196.0

FISCAL NOTE

REQUEST:

Revision Date: _____	Agency Affected: <u>Department of Revenue</u>
Title: <u>Municipal Assistance: Oil</u>	BRU: <u>Treasury</u>
Response Fund _____	
Sponsor: <u>Szymanski</u>	Components: _____
Requestor: <u>Senate Oil & Gas</u>	

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
OPERATING						
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
LANDS & 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	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
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 for analysis.

Fiscal year 1990 effect is zero.

Prepared By: <u>Milt Barker MB</u>	Phone: <u>465-2350</u>
Division: <u>Treasury</u>	Date: <u>February 7, 1990</u>
Approved by Commissioner: <u>[Signature]</u>	Date: <u>2/11/90</u>
Agency: <u>Department of Revenue</u>	

Distribution (by preparer):

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

would continue through 1990.

Changes in CS SB 359 (0+6) ^{7/88}
have no fiscal impact.
This fiscal note is
appropriate.

STATE OF ALASKA 1990 - 16TH LEGISLATURE
SECOND SESSION
FISCAL NOTE

Bill Number: Sponsor Substitute for Senate Bill 359

Title: "An Act relating to municipal assistance: oil spills"

While this bill will have a specific fiscal impact upon the department, the impact will occur only if the release of oil or other hazardous substance triggers the operation of the fund. Because of the conditional nature of this impact, no fiscal impact is indicated in a specific fiscal year. It would be the intention of the department to take funding for these positions from the fund itself once the fund became operational. The anticipated impact would include positions and funds to manage the operation of the grant program.

JCN

2072

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: "An Act... recovery of damages... state and its municipalities and villages..."
Sponsor: Senate Oil and Gas
Requestor: Senate Oil and Gas

Agency Affected: Department of Law
BRU: Legal Services
Components: Operations

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

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

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Please see the attached analysis.

Prepared by: Richard I. Pegues, Director Phone: 465-3672
Division: Administrative Services Date: March 7, 1990
Approved by Commissioner: Richard I. Pegues / FAR / Date: March 7, 1990
Agency: Department of Law Attorney General

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

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. CSSB 359 (Oil and Gas)

The committee substitute for SB 359 amends AS 29 to provide for a state assistance grant program for municipalities and villages, from the oil and hazardous substance release response fund, for the containment and cleanup of oil and hazardous substance spills. Although the Department of Law may be involved in providing legal advice to the Departments of Community and Regional Affairs and Environmental Conservation, in respect to implementing the bills provisions, the department would not ordinarily be involved in the assistance program and fiscal note funds are therefore not required.

SENATE COMMITTEE REPORT

DATE: 3/7/90

FURTHER: Finance

DATE TURNED INTO OFFICE: 4-6-90

Resources Committee considered

SSSB 359 (O+G)

MUNICIPAL ASSISTANCE: OIL RESPONSE FUND

and recommended:

- replace with _____ CS _____
- or adopt _____ CS _____
- attached amendment(s)
- _____ letter of intent adopted

- same title
- new title
- technical title change (HB only)

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

ATTACHES NEW FISCAL NOTE(S):

fiscal note(s) _____ Dept/Date: _____

zero fiscal note(s) _____

appropriation-no fiscal note

APPROVES PREVIOUS:

fiscal note(s) _____ Dept/Date: _____

zero fiscal note(s) _____

Governor's bill w/fiscal note

SIGNING DO PASS:

William Douglas Jr.

OTHER RECOMMENDATIONS:

Kirk Halford NO REC

D. [unclear] No Rec

[unclear]

Chair: Signature and Recommendation

Chair: Signature and Recommendation

SB 359

#2 failed 7-12

Amendment #2

By Adams

Page 1, line 27 through page 2, line 3:

Delete:

however, this paragraph does not authorize a municipality to enforce an ordinance outside its boundaries to regulate exploration, development, or production of oil, gas, or minerals inconsistent with the state's management of those resources when the state is the owner of the land, tideland, or submerged land;

EXPLANATION OF AMENDMENTS

AMENDMENT #1: Adds a requirement that any local government "extra-territorial jurisdiction" ordinance adopted under these sections must be consistent with regional master contingency plans.

AMENDMENT #2: The CS lists criteria CRA must consider when evaluating grant applications for municipal impact assistance. This amendment would delete the phrase "other criteria the department deems appropriate".

AMENDMENT #3: This amendment makes it clear that CRA may reject grant applications or approve an application for less than the amount requested.

AMENDMENT #4: Adds back a provision in the Sponsor Substitute that would give village councils limited immunity for emergency response cleanup activities. Municipalities already have this protection.

AMENDMENT #5: This amendment would require DEC to consult with municipalities and village councils when it is negotiating cooperative agreements (etc.) with federal agencies (and others) on oil discharge matters. The Sponsor Substitute and the proposed CS now require the Department to negotiate with municipalities and village councils on these matters.

AMENDMENT #6: The Sponsor Substitute clarifies that DEC is required to reimburse municipalities and village councils for emergency first response cleanup costs if there is an agreement between the parties which calls for reimbursement and the department determines that these expenditures were "necessary". The proposed CS added a requirement that the State's obligation to reimburse is also "subject to the availability of money for that purpose". This amendment would delete the additional language in the proposed CS.

AMENDMENT #7: This amendment would delete the emergency first response grant provisions contained in both the Sponsor Substitute and the proposed CS and simply allow the Commissioner of DEC to "advance" funds to municipalities and villages if the applicant can demonstrate that it has a need for the money and the proposed expenditures are necessary to carry out an emergency first response to a release or threatened release.

AMENDMENT #8: Emergency first response grant funds must be used in a manner consistent with regional contingency plans.

A M E N D M E N T #1

Sen. O+G

OFFERED IN THE SENATE

TO: CSSSSB 359(O&G), "M" version 2/28/90

Page 2, line 2, after "boundaries":

Insert "the ordinance adopted must be consistent with a regional master plan for the region in which the municipality is located if a plan has been prepared by the Department of Environmental Conservation under AS 46.04.210;"

Page 2, following line 3:

Insert a new bill section to read:

"* Sec. 2. AS 29.35.200 is amended by adding a new subsection to read:

(d) A first class borough that exercises power necessary to contain, clean up, or prevent a release or threatened release of oil or a hazardous substance, and exercise a power granted to a municipality under AS 46.04, AS 46.08, or AS 46.09 shall exercise its authority in a manner that is consistent with a regional master plan for the region in which the borough is located if a plan has been prepared by the Department of Environmental Conservation under AS 46.04.210."

Renumber the following bill sections accordingly.

Page 2, line 7, after "AS 46.09":

Insert "; the borough shall exercise its authority under this

paragraph in a manner that is consistent with a regional master plan for the region in which the borough is located if a plan has been prepared by the Department of Environmental Conservation under AS 46.04.210"

Page 2, line 14, after "basis.":

Insert "The borough shall exercise its authority under this subsection in a manner that is consistent with a regional master plan for the region in which the borough is located if a plan has been prepared by the Department of Environmental Conservation under AS 46.04.210."

A M E N D M E N T #2

OFFERED IN THE SENATE

TO: CSSSSB 359(O&G), "M" version 2/28/90

Page 5, line 18, after "application;"

Insert "and"

Page 5, lines 21 - 22:

Delete "; and

(7) other criteria the department considers appropriate"

A M E N D M E N T #3

OFFERED IN THE SENATE

TO: CSSSSB 359(O&G), "M" version 2/28/90

Page 5, following line 22:

Insert a new subsection to read:

"(b) The department may reject an application for a grant under AS 29.60.510 or approve an application for a grant in an amount that is less than the amount requested by a municipality or village if the department determines that payment of the amount requested is not warranted under (a) of this section."

Reletter the following subsection accordingly.

Page 5, line 24, after "rank":

Insert "all or a portion of"

Page 6, lines 2 - 3, after "regulations.":

Insert "This subsection does not prevent the department from making a grant payment in an amount that is less than an amount requested by a municipality or village if the department determines that payment of the amount requested is not warranted under (a) of this section."

A M E N D M E N T #4

OFFERED IN THE SENATE

TO: CSSB 359(O&G), "M" version 2/28/90

Page 9, following line 11:

Insert a new bill section to read:

"* Sec. 6. AS 46.03.822(h) is amended to read:

(h) The state, [OR] a municipality, or a village is not liable under this section for costs or damages as a result of actions taken in response to an emergency created by a release or threatened release of a hazardous substance generated by or from a facility or vessel owned by another person unless the actions taken by the state, the [OR] municipality, or the village constitute gross negligence or intentional misconduct."

Renumber the following bill sections accordingly.

A M E N D M E N T #5

OFFERED IN THE SENATE

TO: CSSB 359(O&G), "M" version 2/28/90

Page 10, lines 4 - 17:

Delete all material and insert:

"* Sec. 7. AS 46.04.020 is amended by adding a new subsection to read:

(f) In fulfilling its responsibilities under (e) of this section, the department shall consult with the governing bodies of municipalities and with village councils."

Page 11, line 2:

After "village" insert "council"

After "means" insert "the governing body of"

A M E N D M E N T #6

OFFERED IN THE SENATE

TO: CSSSSB 359(O&G), "M" version 2/28/90

Page 12, lines 22 - 23:

Delete "Subject to availability of money for the purpose, the [THE]"

Insert "The"

A M E N D M E N T #7

OFFERED IN THE SENATE

TO: C S S S B 359(O&G) "M" version 2/28/90

Page 12, line 17:

Delete "[AND]"

Insert "and"

Page 12, lines 19 - 20:

Delete "; and

(7) make grants under AS 46.08.072"

Page 12, line 25, after "threatened release":

Insert "and may advance money to a municipality or village to carry out an emergency first response to a release or threatened release"

Page 13, line 1:

After "that" insert "(A)"

After "expenses" insert "to be reimbursed"

Page 13, line 5, after "environment":

Insert ";

(B) the municipality or village has demonstrated a need for financial assistance, and the money to be advanced is necessary to enable the municipality or village to carry out an

emergency first response to a release or threatened release that,
at the time of the release or threatened release, poses an immi-
nent and substantial threat to the public health or welfare, or
to the environment"

Page 13, line 6 through page 14, line 6:

Delete all material.

Renumber the following bill sections accordingly.

A M E N D M E N T #8

OFFERED IN THE SENATE

TO: CSSB 359(O&G), "M" version 2/28/90

Page 13, line 15, after "costs.":

Insert "Containment and cleanup efforts paid for in whole or in part by a grant made under this section must be consistent with the regional master plan for the region in which the municipality or village is located if a plan has been prepared by the department under AS 46.04.210."



Alaska State Legislature

Senator Mike Szymanski

While in Session:
P.O. Box V
Juneau, Alaska 99811
(907) 465-4978

Interim:
3111 C Street, Suite 510
Anchorage, Alaska 99503
(907) 561-7617
OR
165 E. Parks Highway
Wasilla, Alaska 99687
(907) 376-6453

SPONSOR STATEMENT CSSSSB 359 (Oil and Gas)

This legislation was drafted in response to the concerns expressed by the "oiled mayors" of the communities affected by the March 24 Exxon Valdez oil spill. These communities experienced far-ranging social and economic impacts as a result of the spill. While Exxon did provide the communities with some assistance, it was not sufficient; in addition, there was no state funding mechanism earmarked specifically for the costs of additional and incremental services which the local communities incurred.

The Oil Spill Commission recognized this "gap" and addressed the need for local service impact funding in Recommendation 53 and 54 of the Commission Report. These recommendations are included in the committee packet.

CSSSSB 359 (Oil and Gas) addresses the above concerns and needs by:

- 1) Broadening the powers of municipalities and villages under AS 29 and under AS 46 to enable them to more effectively deal with the release or threatened release of oil or a hazardous substance;
- 2) Establishes a system of municipal grants under the Department of Community and Regional Affairs which are to be triggered by a declaration of a disaster emergency by the Governor. The legislation establishes criteria for evaluating whether a grant is to be made to a municipality or village. THESE GRANTS ARE NOT FOR EMERGENCY FIRST RESPONSE (which is covered under Title 46) BUT RATHER FOR THE ADDITIONAL AND INCREMENTAL COSTS OF FUNCTIONS AND SERVICES WHICH ARISE OUT OF THE RELEASE OF OIL OR A HAZARDOUS SUBSTANCE;
- 3) Up to \$10 million of the oil and hazardous release response fund (the "470" Fund) may be expended by the Department of Community and Regional Affairs for these municipal impact grants.
- 4) Under Title 46, the legislation authorizes the Department of Environmental Conservation to "advance" money to a municipality or village for emergency first response. This is in addition to the Department's existing authorization to reimburse a municipality for these same expenditures.

Senate District E

Alaska State Legislature

3111 C Street, Suite 150
Anchorage, Alaska 99503
(907) 561-2038

During Session:
P.O. Box V
Juneau, Alaska 99811
(907) 465-4993

Senator Drue Pearce District G

March 7, 1990

Senator Bettye Fahrenkamp, Chair
Senate Resources Committee
Capitol, Room 125
Juneau, Alaska

Dear Senator Fahrenkamp:

The Senate Special Committee on Oil and Gas has just passed out CS for Sponsor Substitute for Senate Bill 359. This legislation proposes a reasonable system which will allow municipalities and village councils to request and obtain state financial assistance from the "470 Fund" to mitigate social and economic impacts resulting from releases of oil or hazardous substances. The bill also would modify existing law to clarify the scope of liability under "strict liability" provisions contained in Title 46 and makes other changes designed to enhance a community's ability to deal with spills. While the Committee has spent many hours on this legislation and is generally satisfied with the final product, there are several issues I'd like to bring to your attention which may require further consideration:

1. **TRIGGER MECHANISM:** At the suggestion of the prime sponsor, Senator Szymanski, the Committee reviewed the question of whether to set up a mechanism to "trigger" the availability of state assistance. After considering several options, we decided a trigger mechanism was a good idea to promote stability but that we did not have to re-invent the wheel. Instead, the bill requires a declaration of a disaster emergency by the Governor under existing law before grant monies for municipal impact assistance under Section 5 of the bill may be expended. This often utilized system appears to work and should give the Administration the ability to respond quickly and appropriately in a variety of situations (see also Recommendation #53 from the Executive Summary of the Report of the Alaska Oil Spill Commission attached). Nevertheless, you should know that many of the

communities interested in this legislation do not agree with our decision and are concerned that this approach may be unnecessarily burdensome. Please note that we did not adopt a similar trigger system for emergency first response assistance.

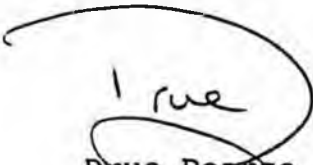
2. RETROACTIVITY. We were asked to make retroactive a change to the "strict liability" provisions of existing law which clarifies that "spillers" are liable for certain additional service costs incurred by the state, municipalities and village councils. The Committee considered and unanimously rejected this request. The Committee also intended to preclude use of state impact assistance for prior incidents.

3. LIMITS. The Committee has imposed a limit of \$10 million per declaration of disaster emergency for municipal impact assistance grants available through CRA under Section 5 of the bill but has not set a limit on the amount of "emergency first response" funds (cash advances and reimbursements) available through DEC under later sections of the bill. Due to time constraints, the latter provision was not fully evaluated by the Committee and probably requires further discussion along with the question of whether the \$10 million municipal impact assistance allocation should be modified to deal with situations where there isn't enough "470 fund" money to go around.

4. OTHER. There are at least two technical issues that were not settled for one reason or another: a) the question of whether to use the term "village" or "village council" is unresolved because we have received conflicting advice from the Administration; and b) other provisions in the bill may have to be modified to accommodate structural changes concerning "lead agency" and related matters that will be handled in separate legislation. Due to the complexity of the bill and the large number of amendments to the Sponsor Substitute, there also may be additional minor technical changes warranted although we tried our best to iron these out.

Thanks, Bettye. If you have any questions please let me know.

Sincerely,



Drue Pearce

DP:DR

ALASKA MUNICIPAL LEAGUE
BOARD OF DIRECTORS

A RESOLUTION RELATING TO THE NEED FOR ADDITIONAL
LEGISLATION ON THE EFFECTS OF DISCHARGES OF
HAZARDOUS SUBSTANCES ON LOCAL GOVERNMENT

WHEREAS, the Alaska Municipal League Board of Directors is aware of the devastating effects of the *Exxon Valdez* Oil Spill on the communities of Prince William Sound, the Kenai Peninsula, the Kodiak Island Archipelago, and the Alaska Peninsula, and

WHEREAS, similar disasters could occur both on land and at sea in other parts of the state with similar effects, and

WHEREAS, legislation is being considered during the 1990 session of the Alaska Legislature to deal with some of the problems which the experience of local governments affected by the *Exxon Valdez* Oil Spill has demonstrated arise in such situations,

NOW, THEREFORE, BE IT RESOLVED that the Alaska Municipal League Board of Directors supports the immediate enactment of legislation with the following goals:


(1) extend to all communities in the state broad powers, within and outside of their boundaries, to cleanup and otherwise mitigate the effects of a hazardous substance discharge;

(2) increase the cap on the oil and gas "properties production tax" to \$75,000,000 to create a \$25,000,000 fund to be administered by the Department of Community and Regional Affairs and distributed to local governments for incremental impacts related to such discharges, such as increased mental health services, or increased police protection services;

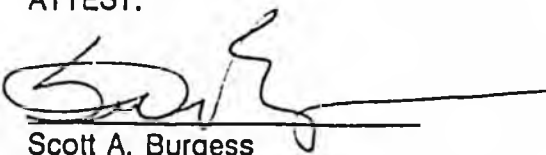
(3) clarify the state hazardous substance strict liability statutes to make sure the full range of municipal damages can be addressed;

(4) provide a structure for quick access by the communities to state money available for response to the discharges.

Adopted this 1st day of February 1990.


Dorothy A. Jones, President

ATTEST:


Scott A. Burgess
Executive Director

INTRODUCED BY: ALASKA CONFERENCE OF MAYORS
DATED: NOVEMBER 15, 1989

RESOLUTION OF THE ALASKA MUNICIPAL LEAGUE

RESOLUTION SERIAL NO. 89-_____

A RESOLUTION OF THE ALASKA MUNICIPAL LEAGUE SUPPORTING
FUNDING OF RESPONSE SERVICES AND IMPACT ASSESSMENT STUDIES FOR
ALASKA COMMUNITIES IMPACTED BY THE EXXON VALDEZ OIL SPILL DISASTER

WHEREAS, on March 24, 1989 the oil tanker Exxon Valdez ran aground in Prince William Sound spilling 11 million barrels of crude oil onto the waters and shores of the State of Alaska; and

WHEREAS, the Exxon Valdez oil spill caused severe physical, social and economic damage to the people living in the many small communities of coastal southcentral and southwestern Alaska; and

WHEREAS, the impacted communities have been forced to respond to the oil spill by providing extraordinary services and programs which require reimbursement and future funding; and

WHEREAS, the impacted communities need long-term studies of the damage and assessment of the physical, social and economic implications of the oil spill over the next five to six years; and

WHEREAS, under the auspices of the Alaska Conference of Mayors, the impacted communities have worked diligently with the parties responsible for the spill, the State of Alaska and the United States of America to develop reasonable remedies and legislative initiatives to pay for local response services and long-term damage and assessment studies; and

WHEREAS, the efforts of the impacted communities to address the natural and human consequences of the spill are of significant interest and importance to all Alaska communities which may be at risk of suffering an environmental catastrophe;

NOW, THEREFORE, BE IT RESOLVED that the Alaska Municipal League supports the efforts of the Alaska communities impacted by the Exxon Valdez oil spill to obtain reimbursement and continued funding for response services and funding of long-term damage and assessment studies on the effect of the spill in those communities.

This resolution was approved for submittal to the Alaska Municipal League membership by the Alaska Conference of Mayors oiled mayors committee on November 15, 1989.

UM
Senator Bettye M. Fahrenkamp

FROM: Matthew D. Jamin, Attorney to Oiled Mayors
DATE: March 8, 1990
RE: Requested Modifications to § 5 of CSSSSB 359

The Oiled Mayors' request that your committee consider an amendment to CSSSSB 359 to make its section 5, which modifies AS 46.03.822, retroactive to the date of the Exxon Valdez Oil Spill, March 24, 1989, and to remove the language "necessary and appropriate" from the section.

The request for retroactivity is completely consistent with what was done last year in HB 68, when the legislature made some important and retroactive modifications to AS 46.03.822. Among the changes made last year was a clarification that the damages which are recoverable under the statute include:

"damage to the natural resources of the state or a municipality, and for the costs of response, containment, removal, or remedial action incurred by the state or municipality, resulting from an unpermitted release of a hazardous substance or, with respect to response costs ..."

Section 5 of CSSSSB 359 seeks further clarification of the same statute by clarifying that damages also include the extra infrastructure costs incurred by the state, municipalities, and villages resulting from a spill. Just as the legislature did in making the amendment to AS 46.03.822 retroactive last year, it should do so again this year.

Questions have been raised about whether the enactment of such legislation retroactively might contravene any constitutional provisions. The answer is no. Concisely, the Ex Post Facto clause does not apply since changes to criminal laws are not envisioned. The Due Process Clause is not contravened because there is a rational legislative purpose -- clarifying what damages are included -- in the law.

We are prepared to provide you with extensive citation of case authority on these issues should you wish it. I know that our position is supported by the Department of Law. Please let me know if you need additional information.

On our second issue, we feel that the addition of the phrase "necessary and appropriate" which was made by the Oil and Gas Committee Substitute is unnecessary. We seek a statute that clarifies the statute, not one that creates additional language about which lawyers may bicker in courts. The intent is to clarify that increased infrastructure costs are covered; it should be left to the courts to determine if they result from a spill.

We look forward to working closely with you over the next few weeks. Thank you.

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

February 8, 1990

POSITION PAPER

RE: Sponsor Substitute for Senate Bill 359

SPONSOR: Senator Szymanski

Program Effects of Bill:

Sections 1 - 3 of the bill would expand municipal powers to respond to a release of oil or a hazardous substance by authorizing extraterritorial exercise of such powers and explicitly authorizing exercise of these powers by ordinance by second and third class boroughs. Section 4 establishes an oil and hazardous substance municipal impact fund in the Department of Community and Regional Affairs to provide assistance to municipalities and village councils affected by a release and provides guidelines for the administration of the fund. As provided in Sections 5 - 10, the source of money for the fund is the five-cent-a-barrel surcharge which shall be deposited in the fund until the cumulative total of the balances in this fund and the oil and hazardous substance release fund amounts to \$75,000,000.

Sections 11 - 13 deal with liability issues. Sections 14, 18 and 25 add definitions for public services and village council. Section 15 adds municipalities and village councils to the list of entities with which DEC may enter into agreements when dealing with the discharge of oil. Section 16 provides for expanded public participation in the contingency planning process. Section 17 adds incremental costs of public services to containment and cleanup costs. Section 19 adds to purposes of the oil and hazardous material clean up fund social and economic assessments. Section 20 would require DEC to reimburse a municipality or village council for actual expenses associated with the abatement of a spill. Section 20 gives DEC the authority to make grants to municipalities and village councils to carry out emergency first response to a release. Section 21 and section 25 would include additional costs eligible as containment and cleanup costs. Section 26 adds a definition for public services.

Comments:

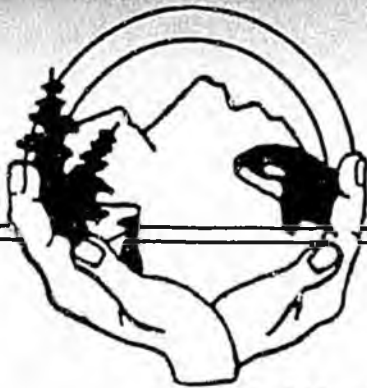
The administration recognizes the need for a mechanism to address municipal social and economic impacts resulting from the catastrophic release of oil and hazardous substances into the environment. Rather than create a new fund, as proposed in

- P.O. BOX B
JUNEAU, ALASKA 99811-2100
PHONE: (907) 465-4700
- 949 E. 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508-4302
PHONE: (907) 563-1073

Sponsor Substitute for Senate Bill 359
February 8, 1990
Page Two

this bill, however, the administration would prefer to see the utilization of existing structures. The most appropriate mechanism to address these impacts would be to amend the existing oil and hazardous substance release response fund statutes to address community needs. Under such a mechanism, ten percent of the fund balance, or as much as \$5 million, would be administratively transferred from the oil and hazardous substance release response fund to the Department of Community and Regional Affairs for distribution to respond to community social and economic impacts. At this time, the administration does not believe it is necessary to raise the existing \$50 million cap on the oil and hazardous substance release response fund.

John G. Hoffman DC, CNA
David G. Hoffman, Commissioner



Oil Reform Alliance



SB 359--Oil and Hazardous Substances Municipal Impact Assistance

The Oil Reform Alliance strongly supports the intention of SB 359. However, we have a difficult time advocating for its passage due to specific changes made in the bill by the Senate Oil and Gas Committee. We would like to see the reinstatement of the following:

1. Creation of an Oil and Hazardous Substances Municipal Impact Assistance Fund administered by the Commissioner of the Department of Community and Regional Affairs. A separate fund clearly delineates the amount of money available for DCRA and allows the department to have quick access to deal with the impacts of a catastrophic oil discharge.

2. Raising the cap on the \$.05/barrel tax to \$75 million, with \$25 million stipulated for the Municipal Impact Assistance Fund. DCRA has already received over \$12 million in grant requests from affected communities.

3. Reimbursement of municipalities and village councils for responses to a release or threatened release, even if that response is after the initial time of the release. (Section 20.) Spill affected communities dealt with the threat of oil washing up on their beaches for many weeks after the initial release from the Exxon Valdez. Their response to this threat was an immediate first response and should be reimbursable.

In addition, it is far more appropriate for the Department of Community and Regional Affairs, rather than the Department of Environmental Conservation, to make an assesment of the social and economic effects of the release or threatened release of oil or a hazardous substance. This agency is the expert within the administration to determine how a community has been affected by a catastrophic oil release.

By sticking with these original concepts, SB359 would allow the state to be able to efficiently and adequately deal with all the costs of a catastrophic release. With these changes, we would again strongly support the bill. Alaska needs to be prepared for the next Exxon Valdez catastrophe and the industry must be held responsible for the costs of oil development within the state.



Alaska State Legislature

Senator Mike Szymanski

While in Session:
P.O. Box V
Juneau, Alaska 99811
(907) 465-4978

Interim:
3111 C Street, Suite 510
Anchorage, Alaska 99503
(907) 561-7617
or
165 E. Parks Highway
Wasilla, Alaska 99687
(907) 376-6453

March 7, 1990

TO: Senator Bettye Fahrenkamp
Chair, Senate Resources

FROM: Senator Mike Szymanski MS/pt

SUBJECT: CSSSSB 359 (Oil and Gas)

I am forwarding a packet of information on CSSSSB 359 (Oil and Gas) which is going to be heard in Senate Resources on Monday, March 12.

I expect that there will be an additional document from Matt Jaimin, who represents the "oiled mayors" on the subject of "retroactivity." Also, it is my understanding that the Department of Environmental Conservation is preparing a position paper on the legislation and will be sending you a copy this week. The Department of Community and Regional Affairs has indicated that the comments that they provided for the original Sponsor Substitute SB 359 still represent the Administration's position and therefore, I am including this original position paper as part of the packet because the essence of the commentary is still valid.

The oiled mayors will be in Anchorage on Monday and would like to be teleconferenced into the hearing from the Anchorage Legislative Information Office.

If I can be of further assistance, please let me know.

MS:pt
enclosure



Alaska State Legislature

Senator Mike Szymanski

While in Session:
P.O. Box V
Juneau, Alaska 99811
(907) 465-4978

Interim:
3111 C Street, Suite 510
Anchorage, Alaska 99503
(907) 561-7617
or
165 E. Parks Highway
Wasilla, Alaska 99687
(907) 376-6453

SPONSOR STATEMENT

CSSSSB 359 (Finance), Municipal Impact Legislation

This legislation was drafted in response to the concerns expressed by the "oiled mayors" of the communities affected by the March 24 Exxon Valdez oil spill. Funds were provided by the State Department of Environmental Conservation to the communities for their emergency first response expenses, such as the purchase of boom material, etc.

However, these communities also experienced far-ranging social and economic impacts as a result of the spill; there was an increased need for health services, an increase in public safety services, public utility services, housing services and an increased usage of public facilities, such as harbors. Communities that rely on subsistence foods found themselves unable to harvest the fish and game because of the danger of toxicity.

These increased services placed an incredible burden on the communities, and there was no state fund or mechanism in place to assist the communities with the costs of these additional and incremental services which had been incurred. Additionally, there is also going to be a loss of revenue, such as that generated by the raw fish tax, inasmuch as so much fishing time was lost. True, Exxon did reimburse the communities for some of their costs but not all of the costs were covered and the need still exists.

Of major consideration is the question, "What if it had not been Exxon?" What if the spill had been caused by a company with far fewer resources? What if there had been no claims process in place?

The Oil Spill Commission recognized this "gap" and addressed the need for local service impact funding in Recommendations 53 and 54 of the Commission Report; specifically, the Commission recommended that a separate fund be created to help local governments with the unreimbursable costs caused by an oil or hazardous substance release.

CSSSSB 359 (Finance) addresses the above concerns and needs by:

- 1) broadening the powers of municipalities and villages under AS 29 and under AS 46 to enable them to more effectively deal with the release or threatened release of oil or a hazardous substance;
- 2) Establishes a system of municipal grants under the Department

of Community and Regional Affairs which are to be triggered by a declaration of a disaster emergency by the Governor. The legislation establishes criteria for evaluating whether a grant is to be made to a municipality or village. These grants are not for emergency first response but rather for the additional and incremental costs of functions and services which arise out of the release of oil or a hazardous substance;

From the \$50 million fund which was established last year from the \$.05 per barrel surcharge (part of the 470 Fund), up to \$10 million would be available for these municipal impact grants.

3) Under Title 46, the legislation authorizes the Department of Environmental Conservation to "advance" money to a municipality or village for emergency first response. This is in addition to the Department's existing authorization to reimburse a municipality for these same expenditures.

The EPA has no significant presence in Alaska capable of responding to a major spill on the uplands, notwithstanding that the response planning assumes the EPA will be in charge. In Alaska, this responsibility has been transferred by contract to the Bureau of Land Management.

A declaration of emergency should trigger the ability of the governor or other appropriate officials to release funds collected from state oil revenues to cover all impact costs, including economic maintenance programs and local impacts which become an extra burden on local services, whether provided by state or local government.

Indirect government service costs can be as important as direct spill expenditures in meeting a spill emergency. Local governments in particular were hard hit by lack of funding for increased burdens which hit everything from phone service to mental health during the crisis following the *Exxon Valdez* spill.

Exxon released some funds to communities for service needs, which it was not obliged to do. But the availability of such funds should not depend on the policy of the spiller.

As a prevention incentive, existing regulations should be broadened to insure that in future spills the state can recapture all expenses directly or indirectly incurred by the state, its subdivisions and private parties to whom the state owes reimbursement or who have benefited under the state's oil spill disaster economic-maintenance program.

Disagreement on reimbursable costs that resulted in an economic loss to the state resulted in the cancellation of a contract by which, on the pipeline route, DEC exercised EPA authority over spills, all to the detriment of environmental protection.

Reimbursability became a criteria for state response in the *Exxon Valdez* spill, to the detriment of the environment and people injured by the spill.

A fund should be created in state government to help local governments cover public spill costs caused by oil and hazardous substance releases that cannot be charged back to responsible parties.

Recommendation 53
Local service impact funding

Recommendation 54
Full-cost reimbursement

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU ALASKA 99811
907 465 3800

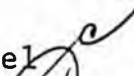
LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 8, 1990

SUBJECT: CSSB 359 (Oil and Gas) -- sectional analysis

TO: Senator Mike Szymanski
ATTN: Paula Terrel

FROM: Jack Chenoweth
Legislative Counsel 

The following summarizes the provisions of the bill adopted by and referred from the Special Oil & Gas Committee yesterday. The explanation discusses sections as they relate to one another, not in bill order.

The committee's deliberations culminated with decisions to (1) eliminate separate funds as sources of assistance to municipalities, rolling together all assistance from the existing oil and hazardous substance release response fund (AS 46.08.040) without amending the trigger mechanisms in the existing surcharge; (2) condition payments from the impact assistance fund to declared disaster emergencies; (3) substitute cash advances to municipalities and villages to support emergency first response initiatives, an approach seen as less cumbersome than the more formal grant submission and approval process originally contemplated; (4) tighten the relationship between cash available and performance under regional master plans prepared by the Department of Environmental Conservation; and (5) make a series of related changes.

STATE FINANCIAL ASSISTANCE:

Bill section 5 establishes an oil and hazardous substance municipal impact assistance program in a manner that differs from the form appearing in earlier versions of the bill. While the statement of policy and purpose [AS 29.60.500] remains substantially as first drafted, and the version retains the general provision that assistance is to be provided for municipalities and villages affected by a release that "demonstrate [to the Department of Community and

Senator Mike Szymanski

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March 8, 1990

Regional Affairs] extraordinary expenditures that are beyond the reasonable capability of the municipality or village to meet from . . . current revenue sources," provision of impact assistance grants [AS 29.60.510] is more narrowly crafted than in earlier versions: impact assistance is limited to not more than \$10 million of the unrestricted balance of the oil and hazardous substance release response fund, and is available only when the governor has first declared a disaster emergency under AS 26.23. Impact assistance is available only for the functions, services, and purposes enumerated in AS 29.60.520.

Proposed AS 29.60.530 sets out criteria by which the department is to evaluate requests for assistance; the draft makes clear that the department need not accept a request as submitted, but may reduce or eliminate elements of the application. The section also directs the department to adopt regulations by which to rank applications when amounts of impact assistance requested exceed amounts available to the department from the fund.

"Boilerplate" provisions appearing as AS 29.60.540 ("limitations on grant uses"), 29.60.550 ("records"), 29.60.560 (annual report), and 29.60.580 (adoption of implementing regulations) are carried forward from earlier versions of the measure. AS 29.60.570 separately requires the commissioner of community and regional affairs to complete an impact assessment whenever the governor issues a disaster emergency declaration based on a discharge of oil or a hazardous substance.

The Senate Oil and Gas Committee was concerned that a municipality or village not benefit from an impact assistance grant if the discharge is eventually shown to be the recipient's responsibility. Hence, proposed AS 29.60.590 authorizes a recovery of grant money paid under AS 29.60.500 - 29.60.599 if the commissioner determines that the municipality or village receiving the grant is responsible for the underlying spill.

Finally, AS 29.60.599 sets out definitions of terms used in the establishment of this grant process.

*

The oil and hazardous substance release response mechanism provides, as an alternative source of assistance--on an "emergency first response basis"--money payable either as

Senator Mike Szymanski
Page 3
March 8, 1990

reimbursement or as a cash advance to municipalities and villages under AS 46.08.070(c), amended by bill section 14. The amendments made in the bill section also require that, to trigger payment of a reimbursement or an advance, there be in place an agreement between the commissioner and the recipient that indicates how an emergency first response is to be carried out and compel the recipient to perform in accordance with pertinent provisions of a regional master plan.

A related provision, added by bill section 15, permits the commissioner to recover amounts paid as advancements or reimbursements if the commissioner subsequently determines that the recipient municipality or village is responsible for the underlying spill.

MUNICIPAL EXTRA-TERRITORIAL AUTHORITY:

In conjunction with containment and cleanup, as with the sponsor substitute, bill sections 1 - 4 extend the authority of municipalities to exercise containment and clean-up authority, but require that exercise of that authority must be consistent with directives in regional master plans if those plans have been prepared and are in place.

OTHER CHANGES:

Amendments to AS 46.03 are set out in bill sections 6 - 9.

Earlier, I had noted the addition by the Special Oil and Gas Committee of provisions allowing recovery of amounts paid out to municipalities and villages that are later determined to have been responsible for the underlying spill. In conjunction with those changes, and because of questions raised regarding the specific authority of the state to recover amounts expended in this area, the amendment made by bill section 6 is intended to make clear that a person who violates AS 46.03 in causing a spill is liable to the state for those amounts expended.

Bill section 7 amends the strict liability section, AS 46.-03.822, to clarify the expenditures and the parties that are intended to be covered by this section.

Bill section 8 adds "a village" to the list of entities who, under AS 46.03.822(h), are not generally liable for containment and clean-up actions taken unless done as a result of gross negligence or intentional misconduct.

Bill section 9 provides definitions for the terms "service" and "village" that are introduced into amendments made to AS 46.03 by bill sections 6 - 8.

*

Amendments to AS 46.04 are made in bill sections 10 - 12.

Bill section 10 directs that, in fulfilling responsibilities under AS 46.04.020(e), relating to preparation of memoranda of understanding and cooperative agreements, and obligations incurred under those documents, the Department of Environmental Conservation shall first "consult with the governing bodies of municipalities and villages."

Bill section 11 amends the term "containment and cleanup" applicable to the chapter to clarify the kinds of qualifying expenses relating to containment and cleanup within the phrase.

Bill section 12 provides definitions for the terms "service" and "village" that are introduced in amendments made to AS 46.04 by bill sections 10 and 11.

*

Amendments to AS 46.08 are made in bill sections 13 - 17.

The additional language inserted in AS 46.08.040 by bill section 13 authorizes the commissioner of community and regional affairs to draw from the oil and hazardous release response fund to make grants under the impact assistance program (AS 29.60.500 - 29.60.599) and for completing impact assessments required by AS 29.60.570. The amend to paragraph (4) clarifies that state impact assistance payable to villages is allowable as recoverable cost for which the balance of the fund may be used by the commissioner of environmental conservation.

Bill sections 14 and 15 have been previously discussed.

The changes made by bill sections 16 and 17 parallel those made to AS 46.04 by bill sections 11 and 12 and are included for substantially similar reasons.

*

Senator Mike Szymanski
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March 8, 1990

Amendments to AS 46.09 are made in bill sections 18 - 20.

The addition of "AS 46.04" as a reference, the amendment made by bill section 18, extends the authority of a municipality to act under all pertinent environmental-related chapters within AS 46 that are exercisable within the municipality's boundaries.

The changes made by bill sections 19 and 20 parallel those made to AS 46.04 by bill sections 11 and 12 and are included for substantially similar reasons.

*

The measure is given an immediate effective date by section 21, its last section.

JC:pl
WKP3/029

STATE OF ALASKA

STEVE COWPER, GOVERNOR

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

REPLY TO:

1031 W 4th AVENUE SUITE 200
ANCHORAGE, ALASKA 99501-1994
PHONE: (907) 276-3550
FAX: (907) 276-3697

1st NATIONAL CENTER
100 CUSHMAN ST. SUITE 400
FAIRBANKS, ALASKA 99701-4679
PHONE: (907) 452-1568
FAX: (907) 452-1317

P.O. BOX K—STATE CAPITOL
JUNEAU, ALASKA 99811-0300
PHONE: (907) 465-3600
FAX: (907) 465-5295

VIA FACSIMILE

March 7, 1990

Honorable Drue Pearce, Chair
Senate Special Committee
on Oil and Gas
Capitol Building
P.O. Box V
Juneau, AK 99811

Dear Chairwoman Pearce:

You have asked a question concerning SB 359 and the interaction between local spill response ordinances and regional contingency plans. In particular, you asked whether a regional oil discharge contingency plan developed pursuant to AS 46.04.210 would preempt a conflicting municipal oil spill response ordinance adopted pursuant to SB 359.

Our short answer is that a local ordinance which conflicts with the terms of a regional contingency plan would be preempted. However, local ordinances would not necessarily have to be consistent in that they could require more stringent actions or different actions and not necessarily be considered in conflict with the regional plan adopted by the Commissioner of Environmental Conservation. Our reasoning is set forth below.

1. Home Rule Municipalities

Under article X section 11 of the Alaska Constitution, a home rule borough or city "may exercise all legislative powers not prohibited by law or by charter." Article X section 1 of the Alaska Constitution mandates that "[a] liberal construction be given to the powers of local government units."

The Alaska Supreme Court has made clear on a number of occasions that:

a municipal ordinance of a home rule municipality is not necessarily invalid because it is inconsistent or in conflict with a state statute. The question of validity of the conflicting

ordinance rests on whether the exercise of authority has been prohibited to home rule municipalities. 'The prohibition must be by express terms or by implication such as where the statute and ordinance are so irreconcilable that one cannot be given its substantial effect if the other is to be accorded the weight of law.'

Area Dispatch, Inc. v. City of Anchorage, 544 P.2d 1024, 1025 (Alaska 1976) (quoting Jefferson v. State, 527 P.2d 37, 43 (Alaska 1974)).

There exists no express prohibition against a home rule municipality acting by ordinance to contain, clean up or prevent the release of oil or hazardous substances within its own borders.¹ Accordingly, unless state law and a municipal ordinance "are so irreconcilable that one cannot be given its substantial effect if the other is to be accorded the weight of law," then the ordinance is a valid exercise of a home rule power. Acevedo v. City of North Pole, 672 P.2d 130, 132 (Alaska 1982); Area Dispatch, Inc., supra.

AS 46.04.110 provides that "[i]f a conflict occurs between a provision of AS 46.04 or a "regulation, order, decision or other determination of the department" made under AS 46.04 and an municipal charter, ordinance or other action, the Department's action will prevail."² AS 46.04.210 directs the Commissioner of Environmental Conservation to prepare a regional master oil and hazardous substance discharge contingency plan for any region in which a person submits a contingency plan under AS 46.04.030. The plan must "clarify and specify the respective responsibilities" of agencies of the state, municipalities of the state, appropriate federal agencies and private parties. AS 46.04.210(b). The statute, however, does not expressly mandate that local response actions be consistent with the plan. The regional plan itself does not have the force of law since it is not a regulation or statute.

Assuming that a regional plan adopted by the Commissioner is a "decision or other determination of the department" under AS 46.04.210, local ordinances could not conflict with the plan.

¹ AS 29.10.200 does limit home rule municipalities powers by requiring compliance with the provisions in AS 29.35.500 -- 590 concerning hazardous chemicals, materials and wastes listed under federal regulations.

² 18 AAC 75.160 provides that the regulations implementing the oil and hazardous substance release statutes do "not preempt local or other governmental control as stringent or more stringent than the requirements of [that] chapter."

However, local ordinances would not necessarily have to be consistent in that they could require more stringent actions or different actions and not necessarily be considered in conflict with the plan.

Section 1 of SB 359 expands present law by allowing a municipality to enforce an oil or hazardous response ordinance outside of its boundaries. This is an additional grant of legislative power to both general law and home rule municipalities. Again, unless the statute granting this authority requires it to be exercised in a manner consistent with regional response plans, a home rule municipality would be free to impose inconsistent requirements as long as they were at least as stringent as the Department's requirements.

2. General Law Municipalities

A general law municipality may only exercise legislative powers conferred upon it by law. AS 29.04.020; AS 29.25.010. In construing general law municipalities' legislative authority, the Alaska Supreme Court has noted that

[m]erely because the state has enacted legislation concerning a particular subject does not mean that all municipal power to act on the subject is lost. We have consistently rejected application of any such concept in our cases dealing with home rule municipalities. We do so now with respect to general law municipalities because our constitution requires that their powers be liberally construed as well. We believe that the proper accommodation can be made between the state and general law municipalities by a rule, which determines preemption to exist, in the absence of an express legislative direction or a direct conflict with a statute, only where an ordinance substantially interferes with the effective functioning of a state statute or regulation or its underlying purpose.

Liberati v. Bristol Bay Borough, 584 P.2d 1115, 1122 (Alaska 1978).

Under section 1 of SB 359, a general law municipality could enforce an oil or hazardous response ordinance outside of its boundaries. Section 2 and 3 of SB 359 provide that second class boroughs and third class boroughs, respectively, may by ordinance exercise authority to contain, clean up, or prevent a release or threatened release of oil or a hazardous substance and exercise a power granted to a municipality under AS 46.04, AS 46.08 or AS 46.09.

Chairwoman Pearce

March 7, 1990

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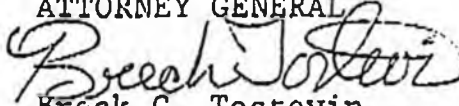
As discussed above in the context of charter municipalities, unless the statute granting this authority requires it to be exercised in a manner consistent with regional response plans, a general law municipality would, under AS 46.04.110, be free to impose inconsistent requirements as long as they did not conflict with the regional plan or AS 46.04 or a regulation adopted under that chapter.

In conclusion, if municipal oil or hazardous substance response ordinances are to be consistent with regional contingency plans under AS 46.04.210 then specific language should be included in SB 359 requiring consistency. Additionally, language might also be added to ensure that a regional contingency plan falls within the protections of AS 46.04.210 since it is arguably unclear whether a plan would be considered a "decision or other determination of the department." The committee also might consider clarifying the status of the state plan under AS 46.04.200 and regional plans under AS 46.04.210. For example, does the Commissioner's duty to clarify and specify the respective responsibilities of certain parties carry the authority of state law.

If you have any further questions, or if we can be of further assistance, please contact us.

Sincerely,

DOUGLAS B. BAILY
ATTORNEY GENERAL



Breck C. Tostevin
Assistant Attorney General

BCT:bi

cc: Jeff Bush

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

February 8, 1990

POSITION PAPER

RE: Sponsor Substitute for Senate Bill 359

SPONSOR: Senator Szymanski

Program Effects of Bill:

Sections 1 - 3 of the bill would expand municipal powers to respond to a release of oil or a hazardous substance by authorizing extraterritorial exercise of such powers and explicitly authorizing exercise of these powers by ordinance by second and third class boroughs. Section 4 establishes an oil and hazardous substance municipal impact fund in the Department of Community and Regional Affairs to provide assistance to municipalities and village councils affected by a release and provides guidelines for the administration of the fund. As provided in Sections 5 - 10, the source of money for the fund is the five-cent-a-barrel surcharge which shall be deposited in the fund until the cumulative total of the balances in this fund and the oil and hazardous substance release fund amounts to \$75,000,000.

Sections 11 - 13 deal with liability issues. Sections 14, 18 and 23 add definitions for public services and village council. Section 15 adds municipalities and village councils to the list of entities with which DEC may enter into agreements when dealing with the discharge of oil. Section 16 provides for expanded public participation in the contingency planning process. Section 17 adds incremental costs of public services to containment and cleanup costs. Section 19 adds to purposes of the oil and hazardous material clean up fund social and economic assessments. Section 20 would require DEC to reimburse a municipality or village council for actual expenses associated with the abatement of a spill. Section 20 gives DEC the authority to make grants to municipalities and village councils to carry out emergency first response to a release. Section 21 and section 25 would include additional costs eligible as containment and cleanup costs. Section 26 adds a definition for public services.

Comments:

The administration recognizes the need for a mechanism to address municipal social and economic impacts resulting from the catastrophic release of oil and hazardous substances into the environment. Rather than create a new fund, as proposed in

- P.O. BOX B
JUNEAU, ALASKA 99811-2100
PHONE: (907) 465-4700
- 949 E. 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508-4302
PHONE: (907) 563-1073

Sponsor Substitute for Senate Bill 359
February 8, 1990
Page Two

this bill, however, the administration would prefer to see the utilization of existing structures. The most appropriate mechanism to address these impacts would be to amend the existing oil and hazardous substance release response fund statutes to address community needs. Under such a mechanism, ten percent of the fund balance, or as much as \$5 million, would be administratively transferred from the oil and hazardous substance release response fund to the Department of Community and Regional Affairs for distribution to respond to community social and economic impacts. At this time, the administration does not believe it is necessary to raise the existing \$50 million cap on the oil and hazardous substance release response fund.

John Lester DC, CNA
David G. Hoffman, Commissioner
For

OIL SPILL GRANT SUMMARY

Page Three

COMMUNITY/PROJECT	PROJECT COST	DEC Clean-Up	Dept. of HHS	DCRA Project	DCRA Funded Projects	Referred Projects*	Second Round Consideration Projects
CITY OF WITTIER							
1. Public Safety	42,000			42,000	25,000		17,000
2. Public Health Service	38,000		38,000			38,000	
3. Police Vehicle	18,000			16,000			18,000
4. Clinic	17,000		17,000			17,000	
5. EMT Training	4,000		4,000			4,000	
6. City Shop Fees	2,000			2,000			2,000
7. Garbage Disposal	3,375			3,375			3,375
8. Lost Market Revenues	5,385			5,385			5,385
TOTAL	129,760		59,000	70,760	25,000	59,000	45,760
CITY OF FORT GREEN							
1. Gov't Coordination	\$103,600			\$103,600			103,600
2. Mental Health Prgm	74,304		\$74,304			74,304	
3. VISO Trainee	16,680			16,680			16,680
4. Septic System Maint.	70,000			70,000			70,000
5. Highway Resurface	200,000			200,000			200,000
6. Recreation Fac.	100,000			100,000			100,000
TOTAL	564,584		74,304	490,280		74,304	490,280
CITY OF CORDOVA							
1. Oil Spill Office	\$284,250			\$284,250			284,250
2. Child Care Facility	16,936		\$16,936			16,936	
3. Mental Health Prgm	45,750		45,750			45,750	
4. Eyak Bldg. Expansion	26,500			26,500			26,500
5. Heritage Celebration	10,000			10,000			10,000
TOTAL	383,436		62,686	320,750		62,686	320,750

OIL SPILL GRANT SUMMARY - ROUND #1 - APPLICATION DEADLINE SEPTEMBER 15, 1989

COMMUNITY/PROJECT	PROJECT COST	DEC Clean-Up	Dept. of HHS	DCRA Project	DCPA Funded Projects	Referred Projects*	Second Round Consideration Projects
<u>CITY OF KODIAK</u>							
1. Spill Admin Costs	52,055			52,055			52,055
2. Oiled Mayors Travel	30,000			30,000	30,000		
3. Oiled Mayors Admin.	25,000			25,000	25,000		
4. Socio/Econ. Study	600,000			600,000	600,000		
TOTAL	707,055			707,055	655,000		52,055
<u>KODIAK ISLAND BOROUGH</u>							
1. Mental Health	260,000		260,000			260,000	
2. Drug/Alcohol Program	45,942		45,942			45,942	
3. Batters Program	38,648		38,648			38,648	
4. Village Alcohol Program	75,266		75,266			75,266	
5. Admin. Support	13,257	\$13,257				13,257	
6. Admin./Communication	155,150			\$155,150			155,150
7. Oil Cleanup Program	4,433,289	4,433,289				4,433,289	
8. Bounty Bag Program	1,231,000	1,231,000				1,231,000	
9. Geo-Textile Program	310,280	310,280				310,280	
10. Re-appraisal Impact	25,000			25,000			25,000
TOTAL	6,507,832	5,987,626	419,856	180,150		6,407,682	180,150
<u>CITY OF LAKEVIEW</u>							
1. Mini-Hydro project	141,517			141,517			141,517
TOTAL	141,517			141,517			141,517
<u>CITY OF OUZINKIE</u>							
1. Subsistence Foods	61,400			61,400	61,400		
TOTAL	61,400			61,400	61,400		

OIL SPILL GRANT SUMMARY

Page Two

COMMUNITY/PROJECT	PROJECT COST	DCR Clean-Up	Dept. of HHS	DCRA Project	DCRA Funded Projects	Referred Projects*	Second Round Consideration Projects
CITY OF VALDIZ							
1. Land Fill	500,000			500,000			500,000
2. Impact Film	35,840			35,848			35,848
3. Police Staffing	45,336			45,116			45,336
4. Counseling Staff	90,000		90,000			90,000	
5. Animal Incinerator	12,771			12,773			12,773
6. Tourism Marketing	79,000			79,000			79,000
7. Police Computer	23,311			23,311			23,311
8. Press Program	35,000			35,000			35,000
9. Socio-Econ. Study	245,000			245,000			
10. Civic Center Staff	10,014			10,014			10,014
11. Airport Carpeting	34,375			34,375			34,375
TOTAL	1,110,657		90,000	1,020,657		90,000	1,020,657
CITY OF SEWARD							
1. Police Impact	134,387			134,387			134,387
2. Mental Health Staff	105,421		105,421			105,421	
3. New Tele. System	7,085		7,085			7,085	
4. Vessel Motor Replcmt.	13,000			13,000			13,000
5. Media Marketing	100,000			100,000			100,000
6. Native Hlth. Prgrm.	178,500		178,500			178,500	
TOTAL	530,393		291,006	247,387		291,006	247,387
COMMUNITY OF CHINLECA							
1. Shoreline Cleanup	21,600	21,600				21,600	
2. Solid waste Site	230,000			230,000			230,000
3. School Addition	750,000			750,000			750,000
TOTAL	1,001,600	21,600		980,000		21,600	980,000
CITY OF RENAI							
1. Dock Revenue Loss	41,760			41,760			41,760
TOTAL	41,760			41,760			41,760

OIL SPILL GRANT SUMMARY

Page Four

COMMUNITY/PROJECT	PROJECT COST	DEC Clean-Up	Cont. of HMS	DCRA Project	DCRA Funded Projects	Referred Projects*	Second Round Consideration Projects
CITY OF TATUM							
1. VPSO HOUSING	53,625			53,625	53,625		
2. CHILD ACTIVITY CTR	62,240		82,240			82,240	
TOTAL	<u>115,865</u>		<u>82,240</u>	<u>53,625</u>	<u>53,625</u>	<u>82,240</u>	
CITY OF SELDovia							
1. Oil Spill Coord. Progm	89,811			89,811			89,811
2. Reimbursements	78,945			78,945			78,945
3. Counseling Progm	24,621			24,621			24,621
TOTAL	<u>193,377</u>			<u>193,377</u>			<u>193,377</u>
GRAND-TOTALS:	<u>11,597,236</u>	<u>6,009,426</u>	<u>1,079,092</u>	<u>4,508,718</u>	<u>795,025</u>	<u>7,088,518</u>	<u>3,713,693</u>
PROJECTS NOT ELIGIBLE FOR CURRENT FUNDING CYCLE DUE TO LATE SUBMISSION							
CITY OF HOMER							
1. Main Dock Repair	50,000			50,000			50,000
2. User Fee Credits	136,600			136,600			136,600
3. Homes Public Safety	41,000			41,000			41,000
4. Alcohol/Drug Abuse	24,200		24,200			24,200	
5. Comm. Mental Health	53,720		53,720			53,720	
6. Staff Augmentation	16,000			16,000			16,000
7. Port Harbor Impact	30,300			30,300			30,300
8. Revenue Replacement	281,600			281,600			281,600
TOTAL	<u>633,420</u>		<u>77,920</u>	<u>555,500</u>		<u>77,920</u>	<u>555,500</u>
GRAND-TOTAL OF ALL PROJECTS SUBMITTED UNDER THE OIL SPILL ASSISTANCE GRANT PROGRAM	<u>12,230,656</u>	<u>6,009,426</u>	<u>1,157,012</u>	<u>5,064,218</u>	<u>795,025</u>	<u>7,166,438</u>	<u>4,269,193</u>

* The column, "Referred Projects", refers to potential funding through DEC and HMS.

STATUS OF OIL SPILL RESPONSE FUND

February 1, 1990

FUND APPROPRIATIONS

Non Exxon Account Balance on 1/15/90	\$ 1,524.0
#48815 General Fund	32,000.0
#48715 General Fund	10,000.0
#48717 Program Receipts	10,000.0
#48701 Program Receipts	<u>20,000.0</u>
TOTAL	73,524.0

EXPENDITURES AND OBLIGATIONS

Exxon Spill Expenditures by DEC to 12/31/89	23,397.2
Exxon Spill Obligations by DEC to 12/31/89	<u>4,929.8</u>
SUBTOTAL	28,327.0
Exxon Spill Agency RSA's to 12/31/89	8,279.7
Exxon Spill Agency RSA's projected to 6/30/90	<u>2,202.8</u>
SUBTOTAL	10,482.5
Local Community Agreements to 5/31/90	8,203.0
DEC Exxon Spill Oversight and Monitoring to 6/30/90	19,248.8
261/264 Response Corps and Depots and Contingency Planning	4,371.8
Other Site Cleanup & Contracts & Spill Response Reserve	<u>2,890.9</u>
TOTAL	73,524.0

Note: Does not include direct expenditures by Exxon

EXXON VALDEZ OIL SPILL RESPONSE

On Scene Coordinators Office	554.5
Cleanup Monitoring	3,741.0
Waste Management & Disposal	694.9
Scientific Support	1,326.5
Treatment Technology Review	203.1
Documentation/Data Management	231.5
Logistical Support	12,820.2
Shoreline and Offshore Oil Tracking	2,633.8
Local Response Projects	610.5
Fish Inspection	530.2
Damage Assessment	<u>51.0</u>
TOTAL	23,397.2