

ASSEMBLY BILL

No. 388

Introduced by Assembly Member Strom-Martin

February 20, 2001

An act to amend Section 8670.40 of, and to add Section 8670.41 to, the Government Code, relating to oil spills, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 388, as introduced, Strom-Martin. Oil spill response.

The Oil Spill Prevention and Administration Fund is created by existing law and is available for appropriation by the Legislature for specified purposes, including to implement, install, and maintain emergency programs, equipment, and facilities to respond to, contain, and clean up oil spills and to ensure that those operations will be carried out as intended.

This bill would continuously appropriate \$125,000 annually for expenditure without regard to fiscal years to the Office of Oil Spill Prevention and Response to develop and conduct training of specified staff and other personnel to respond to toxic spills requiring the rescue of wildlife, and for grants to a nonprofit entity to use for the removal, necropsy, study, and proper disposal of marine mammal carcasses whose death is caused by a toxic spill.

The bill would also include those uses in the authorized uses of the fund.

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 8670.40 of the Government Code is
2 amended to read:

3 8670.40. (a) The State Board of Equalization shall collect a
4 fee in an amount determined by the administrator to be sufficient
5 to carry out the purposes set forth in subdivision (e), and a
6 reasonable reserve for contingencies. The amount of the annual
7 assessment shall not exceed four cents (\$0.04) per barrel of crude
8 oil or petroleum products.

9 (b) (1) The oil spill prevention and administration fee shall be
10 imposed upon every person owning crude oil at the time that the
11 crude oil is received at a marine terminal from within or outside
12 the state, and upon every person owning petroleum products at the
13 time that those petroleum products are received at a marine
14 terminal from outside this state. The fee shall be collected by the
15 marine terminal operator from the owner of the crude oil or
16 petroleum products based on each barrel of crude oil or petroleum
17 products so received by means of a vessel operating in, through,
18 or across the marine waters of the state. In addition, every operator
19 of a pipeline shall pay the oil spill prevention and administration
20 fee for each barrel of crude oil originating from a production
21 facility in marine waters and transported in the state by means of
22 a pipeline operating across, under, or through the marine waters of
23 the state. The fees shall be remitted to the board by the terminal or
24 pipeline operator on the 25th day of the month based upon the
25 number of barrels of crude oil or petroleum products received at
26 a marine terminal or transported by pipeline during the preceding
27 month. No fee shall be imposed pursuant to this section with
28 respect to any crude oil or petroleum products if the person who
29 would be liable for that fee, or responsible for its collection,
30 establishes that the fee has been collected by a terminal operator
31 registered under this chapter or paid to the board with respect to
32 the crude oil or petroleum product.

33 (2) Every owner of crude oil or petroleum products is liable for
34 the fee until it has been paid to the board, except that payment to
35 a marine terminal operator registered under this chapter is
36 sufficient to relieve the owner from further liability for the fee.

37 (3) On or before January 15, the administrator shall annually
38 prepare a plan that projects revenues and expenses over three fiscal



1 years, including the current year. Based on the plan, the
2 administrator shall set the fee so that projected revenues, including
3 any interest, are equivalent to expenses as reflected in the current
4 Budget Act and in the proposed budget submitted by the Governor.
5 In setting the fee, the administrator may allow for a surplus if the
6 administrator finds that revenues will be exhausted during the
7 period covered by the plan or that the surplus is necessary to cover
8 possible contingencies.

9 (c) The moneys collected pursuant to subdivision (a) shall be
10 deposited into the fund.

11 (d) The board shall collect the fee and adopt regulations for
12 implementing the fee collection program.

13 (e) The fee described in this section shall be collected solely for
14 all of the following purposes:

15 (1) To implement oil spill prevention programs through rules,
16 regulations, leasing policies, guidelines, and inspections and to
17 implement research into prevention and control technology.

18 (2) To carry out studies which may lead to improved oil spill
19 prevention and response.

20 (3) To finance environmental and economic studies relating to
21 the effects of oil spills.

22 (4) To reimburse the member agencies of the State Interagency
23 Oil Spill Committee for costs arising from implementation of this
24 chapter, Article 3.5 (commencing with Section 8574.1) of Chapter
25 7, and Division 7.8 (commencing with Section 8750) of the Public
26 Resources Code.

27 (5) To implement, install, and maintain emergency programs,
28 equipment, and facilities to respond to, contain, and clean up oil
29 spills and to ensure that those operations will be carried out as
30 intended, *including the actions described in Section 8670.41.*

31 (6) To respond to an imminent threat of a spill in accordance
32 with the provisions of Section 8670.62 pertaining to threatened
33 discharges. The cumulative amount of any expenditure for this
34 purpose shall not exceed the amount of one hundred thousand
35 dollars (\$100,000) in any fiscal year unless the administrator
36 receives the approval of the Director of Finance and notification
37 is given to the Joint Legislative Budget Committee. Commencing
38 with the 1993–94 fiscal year, and each fiscal year thereafter, it is
39 the intent of the Legislature that the annual Budget Act contain an
40 appropriation of one hundred thousand dollars (\$100,000) from



1 the fund for the purpose of allowing the administrator to respond
2 to threatened oil spills.

3 (7) To reimburse the board for costs incurred to implement this
4 chapter and to carry out the provisions of Part 24 (commencing
5 with Section 46001) of Division 2 of the Revenue and Taxation
6 Code.

7 (f) The moneys deposited in the fund shall not be used for
8 responding to an oil spill.

9 SEC. 2. Section 8670.41 is added to the Government Code, to
10 read:

11 8670.41. Notwithstanding subdivision (a) of Section
12 8670.38 and Section 13340 of the Government Code, the sum of
13 one hundred twenty-five thousand dollars (\$125,000) is hereby
14 continuously appropriated annually for expenditure without
15 regard to fiscal years from the fund to the Office of Oil Spill
16 Prevention and Response (1) to develop and conduct training of
17 the office staff and appropriate nonprofit entity personnel to
18 respond to toxic spills requiring the rescue of wildlife, and (2) for
19 grants to the nonprofit Marine Mammal Center to use for the
20 removal, necropsy, study, and proper disposal of marine mammal
21 carcasses whose death is caused by a toxic spill.

