

ASSEMBLY BILL

No. 2911

Introduced by Assembly Member Wolk
(Coauthors: Assembly Members Beall, Hancock, Huffman, Leno,
Lieber, Mullin, Nava, Ruskin, Swanson, and Torrico)

February 22, 2008

An act to amend Sections 8670.37.5, 8670.40, and 8670.48 of the Government Code, relating to oil spills, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 2911, as introduced, Wolk. Oil spill prevention and response: wildlife contaminations.

The Lempert-Keene-Seastrand Oil Spill Prevention and Response Act generally requires the administrator for oil spill response, acting at the discretion of the Governor, to implement activities relating to oil spill response, including drills and preparedness, and oil spill containment and cleanup, and to represent the state in any coordinated response efforts with the federal government.

Existing law requires the administrator to establish a network of rescue and rehabilitation stations for sea birds and marine mammals.

This bill would provide that, in addition to rehabilitative care, the primary focus of the oiled wildlife care network shall include proactive oiled wildlife search and rescue collection. The bill would also require the administrator to enhance the state's ability to prevent the contamination of wildlife and to identify, collect, rescue, and treat oiled wildlife according to specified requirements, including training of volunteers, stocking emergency equipment for rescue, and providing additional staffing.

Existing law imposes the oil spill prevention and administration fee on persons owning crude oil or petroleum products at a marine terminal. The fee is deposited into the Oil Spill Prevention and Administration Fund in the State Treasury. Upon appropriation by the Legislature, money in the fund is available for specified purposes.

This bill would provide that those moneys shall also be available to cover costs incurred by the oiled wildlife care network for training and field collection, and search and rescue activities.

Existing law imposes a uniform oil spill response fee on specified persons owning petroleum products during any period that the Oil Spill Response Trust Fund contains less than a designated amount. The money in the fund is continuously appropriated for specified purposes. Existing law requires the administrator to submit as a proposed appropriation in the Governor’s Budget, an amount up to \$1.5 million of the interest earned on the funds deposited into the Oil Spill Response Trust Fund, for the purpose of equipping, operating, and maintaining the network of oiled wildlife rescue and rehabilitation stations.

This bill would instead require the administrator to submit as a proposed appropriation an amount up to the total amount of interest earned on the funds in the Oil Spill Response Trust Fund, thereby making an appropriation.

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. The Legislature finds and declares all of the
- 2 following:
- 3 (a) The existing network of rescue and rehabilitation stations
- 4 established by the state to care for oiled wildlife in the event of oil
- 5 spills, and the professional staff and volunteers who have spent
- 6 many hours caring for oiled birds, are to be commended and
- 7 recognized for their work and for their success in releasing treated
- 8 birds back into the wild.
- 9 (b) The resources dedicated by the state to field collection and
- 10 search and rescue of oiled birds in past oil spills, including the
- 11 November 2007 spill of 58,000 gallons of bunker fuel into San
- 12 Francisco Bay, have been inadequate, and the dedication of
- 13 additional resources to these efforts will help increase the number
- 14 of oiled birds collected from the field and brought in for treatment.

1 (c) The state should enhance its capacity, including the provision
2 of pretrained personnel and emergency equipment readily available
3 for deployment, to do all of the following:

4 (1) Prevent wildlife from being contaminated by spilled oil.

5 (2) Collect oiled wildlife for treatment through proactive search
6 and rescue field collection efforts.

7 (3) Ensure that appropriate pretraining and equipment is
8 provided to staff, volunteers, and local agencies that may be
9 enlisted to assist the state in collecting oiled wildlife in future
10 spills.

11 (d) The state's capacity to prevent wildlife from being
12 contaminated by spilled oil, and to rescue and provide rehabilitative
13 care to oiled wildlife, can be significantly enhanced through an
14 expanded program for advanced recruitment and pretraining of
15 volunteers in hazardous materials handling and wildlife collection,
16 and the provision of emergency field collection equipment in
17 strategic locations where it can be readily deployed in the case of
18 a spill. The capacity of the oiled wildlife care network to provide
19 wildlife care and rehabilitation may be significantly enhanced by
20 a ready pool of pretrained volunteers, with more highly trained
21 volunteers performing more complex tasks and convergent
22 volunteers playing vital support roles.

23 (e) It is the intent of the Legislature that the Office of Oil Spill
24 Prevention and Response increase the number of pretrained
25 individuals available for immediate deployment in the event of an
26 oil spill to assist in proactive wildlife search and rescue efforts,
27 and ensure that all wildlife recovery teams are supervised by
28 qualified personnel with appropriate training and experience in
29 wildlife handling and search and rescue techniques.

30 SEC. 2. Section 8670.37.5 of the Government Code is amended
31 to read:

32 8670.37.5. (a) The administrator shall establish a network of
33 rescue and rehabilitation stations for sea birds, sea otters, and other
34 marine mammals. *In addition to rehabilitative care, the primary*
35 *focus of the oiled wildlife care network shall include proactive*
36 *oiled wildlife search and rescue collection.* These facilities shall
37 be established and maintained in a state of preparedness to provide
38 the best achievable treatment for marine mammals and birds
39 affected by an oil spill in marine waters. The administrator shall

1 consider all feasible management alternatives for operation of the
2 network.

3 (b) The first rescue and rehabilitation station established
4 pursuant to this section shall be located within the sea otter range
5 on the central coast. The administrator shall establish regional
6 oiled wildlife rescue and rehabilitation facilities in the Los Angeles
7 Harbor area, the San Francisco Bay area, the San Diego area, the
8 Monterey Bay area, the Humboldt County area, and the Santa
9 Barbara area, and may establish those facilities in other coastal
10 areas of the state as the administrator determines to be necessary.
11 One or more of the oiled wildlife rescue and rehabilitation stations
12 shall be open to the public for educational purposes and shall be
13 available for marine wildlife health research. Wherever possible
14 in the establishment of these facilities, the administrator shall
15 improve existing authorized marine mammal rehabilitation facilities
16 and may expand or take advantage of existing educational or
17 scientific programs and institutions for oiled wildlife rehabilitation
18 purposes. Expenditures shall be reviewed by the agencies and
19 organizations specified in subdivision (c).

20 (c) The administrator shall consult with the United States Fish
21 and Wildlife Service, the National Marine Fisheries Service, the
22 California Coastal Commission, the Executive Director of the San
23 Francisco Bay Conservation and Development Commission, the
24 Marine Mammal Center, and the International Bird Rescue Center
25 in the design, planning, construction, and operation of the rescue
26 and rehabilitation stations. All proposals for the rescue and
27 rehabilitation stations shall be presented before a public hearing
28 prior to the construction and operation of any rehabilitation station,
29 and, upon completion of the coastal protection element of the
30 California oil spill contingency plan, shall be consistent with the
31 coastal protection element.

32 (d) The administrator may enter into agreements with nonprofit
33 organizations to establish and equip wildlife rescue and
34 rehabilitation stations and to ensure that they are operated in a
35 professional manner in keeping with the pertinent guidance
36 documents issued by the Office of Oil Spill Prevention and
37 Response in the Department of Fish and Game. The implementation
38 of the agreement shall not constitute a California public works
39 project. The agreement shall be deemed a contract for wildlife
40 rehabilitation as authorized by Section 8670.61.5.

1 (e) In the event of a spill, the responsible party may request that
2 the administrator perform the rescue and rehabilitation of oiled
3 wildlife required of the responsible party pursuant to this chapter
4 if the responsible party and the administrator enter into an
5 agreement for the reimbursement of the administrator's costs
6 incurred in taking the requested action. If the administrator
7 performs the rescue and rehabilitation of oiled wildlife, the
8 administrator shall primarily utilize the network of rescue and
9 rehabilitation stations established pursuant to subdivision (a),
10 unless more immediate care is required. Any of those activities
11 conducted pursuant to this section or Section 8670.56.5 or
12 8670.61.5 shall be performed under the direction of the
13 administrator. ~~Nothing in this~~ *This subdivision shall be construed*
14 ~~as removing~~ *does not remove* the responsible party from liability
15 for the costs of, nor the responsibility for, the rescue and
16 rehabilitation of oiled wildlife, as established by this chapter.
17 ~~Nothing in this~~ *This subdivision shall be construed as prohibiting*
18 *does not prohibit* an owner or operator from retaining, in a
19 contingency plan prepared pursuant to this article, wildlife rescue
20 and rehabilitation services different from the rescue and
21 rehabilitation stations established pursuant to this section.

22 (f) (1) The administrator shall appoint a rescue and
23 rehabilitation advisory board to advise the administrator regarding
24 operation of the network of rescue and rehabilitation stations
25 established pursuant to subdivision (a), including the economic
26 operation and maintenance of the network. For the purpose of
27 assisting the administrator in determining what constitutes the best
28 achievable treatment for oiled wildlife, the advisory board shall
29 provide recommendations to the administrator on the care achieved
30 by current standard treatment methods, new or alternative treatment
31 methods, the costs of treatment methods, and any other information
32 ~~which~~ *that* the advisory board believes that the administrator might
33 find useful in making that determination. The administrator shall
34 consult the advisory board in preparing the administrator's
35 submission to the Legislature pursuant to subparagraph (A) of
36 paragraph (2) of subdivision (l) of Section 8670.48. The
37 administrator shall present the recommendations of the advisory
38 board to the Oil Spill Technical Advisory Committee created
39 pursuant to Article 8 (commencing with Section 8670.54), upon
40 the request of the committee.

1 (2) The advisory board shall consist of a balance between
 2 representatives of the oil industry, wildlife rehabilitation
 3 organizations, and academia. One academic representative shall
 4 be from a veterinary school within this state. The United States
 5 Fish and Wildlife Service and the National Marine Fisheries
 6 Service shall be requested to participate as ~~ex-officio~~ *ex officio*
 7 members.

8 (3) (A) The Legislature hereby finds and declares that since
 9 the administrator may rely on the expertise provided by the
 10 volunteer members of the advisory board and may be guided by
 11 their recommendations in making decisions that relate to *the*
 12 operation of the network of rescue and rehabilitation stations, those
 13 members should be entitled to the same immunity from liability
 14 that is provided other public employees.

15 (B) Members of the advisory board, while performing functions
 16 within the scope of advisory board duties, shall be entitled to the
 17 same rights and immunities granted public employees by Article
 18 3 (commencing with Section 820) of Chapter 1 of Part 2 of
 19 Division 3.6 of Title 1. Those rights and immunities are deemed
 20 to have attached, and shall attach, as of the date of appointment
 21 of the member to the advisory board.

22 (g) *The administrator shall enhance the state’s ability to prevent*
 23 *the contamination of wildlife and to identify, collect, rescue, and*
 24 *treat oiled wildlife, through all of the following:*

25 (1) *Providing for the recruitment and training of an expanded*
 26 *network of wildlife specialists and volunteers from oiled wildlife*
 27 *care network participant organizations who can be called into*
 28 *immediate action in the event of an oil spill to assist in the field*
 29 *collection of oiled wildlife. The training shall include a process*
 30 *for certification of trained volunteers and renewal of certifications.*
 31 *The initial training for bird rescue shall include field experience*
 32 *in species identification and appropriate field collection techniques*
 33 *for species at risk in different spills. In addition to training in bird*
 34 *rescue, the administrator shall provide for appropriate hazardous*
 35 *materials training for new volunteers and contract personnel, with*
 36 *refresher courses offered as necessary to allow for continual*
 37 *readiness of search and collection teams.*

38 (2) *Developing and implementing a plan for the provision of*
 39 *emergency equipment for bird rescue in strategic locations to*
 40 *facilitate ready deployment in the case of an oil spill. The*

1 administrator shall ensure that the equipment identified as
2 necessary in his or her wildlife response plan is available and
3 deployed in a timely manner to assist in providing the best
4 available protection and collection efforts.

5 (3) Enhancing the capacity of the oiled wildlife care network
6 to recruit and train a larger field team for collection of oiled
7 wildlife, as specified in paragraph (1), by providing staffing for
8 field operations, coordination, and volunteer outreach for the oiled
9 wildlife care network. The duties of the field operations and
10 volunteer outreach staff shall include recruitment and coordination
11 of additional participation in the oiled wildlife care network by
12 other existing organizations with experience and expertise in
13 wildlife rescue and handling, including scientific organizations,
14 educational institutions, public agencies, and nonprofit
15 organizations dedicated to wildlife conservation, and recruitment,
16 training, and supervision of volunteers from oiled wildlife care
17 network participating organizations.

18 (4) Ensuring that qualified persons with experience and
19 expertise in wildlife rescue are assigned to oversee and supervise
20 wildlife recovery search and collection efforts, as specified in the
21 administrators wildlife response plan. The administrator shall
22 provide for and ensure that all persons involved in field collection
23 of oiled wildlife receive training in search and capture techniques
24 and hazardous materials certification, as appropriate.

25 (5) Expanding the readiness of the network of oiled wildlife
26 rescue and rehabilitation stations to respond to oil spills in inland
27 areas by expanding the network to include more volunteer wildlife
28 organizations in other areas of the state, and by expanding the
29 mobile capacity of the network, through use of modified trailers,
30 tents, and other transportable equipment that may be used to
31 enable initial stabilization of oiled wildlife until transport can be
32 arranged to other existing permanent facilities.

33 SEC. 3. Section 8670.40 of the Government Code is amended
34 to read:

35 8670.40. (a) The State Board of Equalization shall collect a
36 fee in an amount determined by the administrator to be sufficient
37 to carry out the purposes set forth in subdivision (e), and a
38 reasonable reserve for contingencies. The annual assessment may
39 not exceed five cents (\$0.05) per barrel of crude oil or petroleum
40 products.

1 (b) (1) The oil spill prevention and administration fee shall be
2 imposed upon ~~every~~ a person owning crude oil at the time that ~~the~~
3 crude oil is received at a marine terminal from within or outside
4 the state, and upon ~~every~~ a person ~~owning~~ *who owns* petroleum
5 products at the time that those petroleum products are received at
6 a marine terminal from outside this state. The fee shall be collected
7 by the marine terminal operator from the owner of the crude oil
8 or petroleum products based on each barrel of crude oil or
9 petroleum products so received by means of a vessel operating in,
10 through, or across the marine waters of the state. In addition, ~~every~~
11 *an* operator of a pipeline shall pay the oil spill prevention and
12 administration fee for each barrel of crude oil originating from a
13 production facility in marine waters and transported in the state
14 by means of a pipeline operating across, under, or through the
15 marine waters of the state. The fees shall be remitted to the board
16 by the terminal or pipeline operator on the 25th day of the month
17 based upon the number of barrels of crude oil or petroleum
18 products received at a marine terminal or transported by pipeline
19 during the preceding month. ~~No~~ A fee shall *not* be imposed
20 pursuant to this section with respect to ~~any~~ crude oil or petroleum
21 products if the person who would be liable for that fee, or
22 responsible for its collection, establishes that the fee has been
23 collected by a terminal operator registered under this chapter or
24 paid to the board with respect to the crude oil or petroleum product.

25 (2) ~~Every~~ *An* owner of crude oil or petroleum products is liable
26 for the fee until it has been paid to the board, except that payment
27 to a marine terminal operator registered under this chapter is
28 sufficient to relieve the owner from further liability for the fee.

29 (3) On or before January 20, the administrator shall annually
30 prepare a plan that projects revenues and expenses over three fiscal
31 years, including the current year. Based on the plan, the
32 administrator shall set the fee so that projected revenues, including
33 any interest, are equivalent to expenses as reflected in the current
34 Budget Act and in the proposed budget submitted by the Governor.
35 In setting the fee, the administrator may allow for a surplus if the
36 administrator finds that revenues will be exhausted during the
37 period covered by the plan or that the surplus is necessary to cover
38 possible contingencies.

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

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

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

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

8 (2) To carry out studies that may lead to improved oil spill
9 prevention and response.

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

12 (4) To reimburse the member agencies of the State Interagency
13 Oil Spill Committee for costs arising from implementation of this
14 chapter, Article 3.5 (commencing with Section 8574.1) of Chapter
15 7 of this code, and Division 7.8 (commencing with Section 8750)
16 of the Public Resources Code.

17 (5) To implement, install, and maintain emergency programs,
18 equipment, and facilities to respond to, contain, and clean up oil
19 spills and to ensure that those operations will be carried out as
20 intended.

21 (6) To respond to an imminent threat of a spill in accordance
22 with the provisions of Section 8670.62 pertaining to threatened
23 discharges. The cumulative amount of ~~any~~ an expenditure for this
24 purpose shall not exceed the amount of one hundred thousand
25 dollars (\$100,000) in ~~any~~ a fiscal year unless the administrator
26 receives the approval of the Director of Finance and notification
27 is given to the Joint Legislative Budget Committee. Commencing
28 with the 1993–94 fiscal year, and each fiscal year thereafter, it is
29 the intent of the Legislature that the annual Budget Act contain an
30 appropriation of one hundred thousand dollars (\$100,000) from
31 the fund for the purpose of allowing the administrator to respond
32 to threatened oil spills.

33 (7) To reimburse the board for costs incurred to implement this
34 chapter and to carry out Part 24 (commencing with Section 46001)
35 of Division 2 of the Revenue and Taxation Code.

36 (8) To reimburse the costs incurred by the State Lands
37 Commission in implementing the Oil Transfer and Transportation
38 Emission and Risk Reduction Act of 2002 (Division 7.9
39 (commencing with Section 8780) of the Public Resources Code).

1 (9) *To cover costs incurred by the oiled wildlife care network*
 2 *established by Section 8670.37.5 for training and field collection,*
 3 *and search and rescue activities, pursuant to subdivision (g) of*
 4 *Section 8670.37.5.*

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

7 SEC. 4. Section 8670.48 of the Government Code is amended
 8 to read:

9 8670.48. (a) (1) A uniform oil spill response fee in an amount
 10 not exceeding twenty-five cents (\$0.25) for each barrel of
 11 petroleum products, as set by the administrator pursuant to
 12 subdivision (f), shall be imposed upon ~~every~~ *a person owning who*
 13 *owns* petroleum products at the time the petroleum products are
 14 received at a marine terminal within this state by means of a vessel
 15 from a point of origin outside this state. The fee shall be remitted
 16 to the State Board of Equalization by the terminal operator on the
 17 25th day of each month based upon the number of barrels of
 18 petroleum products received during the preceding month.

19 (2) ~~Every~~ *An* owner of petroleum products is liable for the fee
 20 until it has been paid to the state, except that payment to a marine
 21 terminal operator registered under this chapter is sufficient to
 22 relieve the owner from further liability for the fee.

23 (b) ~~Every~~ *An* operator of a pipeline shall also pay a uniform oil
 24 spill response fee in an amount not exceeding twenty-five cents
 25 (\$0.25) for each barrel of petroleum products, as set by the
 26 administrator pursuant to subdivision (f), transported into the state
 27 by means of a pipeline operating across, under, or through the
 28 marine waters of the state. The fee shall be paid on the 25th day
 29 of each month based upon the number of barrels of petroleum
 30 products so transported into the state during the preceding month.

31 (c) (1) ~~Every~~ *An* operator of a refinery shall pay a uniform oil
 32 spill response fee in an amount not exceeding twenty-five cents
 33 (\$0.25) for each barrel of crude oil, as set by the administrator
 34 pursuant to subdivision (f), received at a refinery within the state.
 35 The fee shall be paid on the 25th day of each month based upon
 36 the number of barrels of crude oil so received during the preceding
 37 month.

38 (2) The fee shall not be imposed by a refiner, or a person or
 39 entity acting as an agent for a refiner, on crude oil produced by an
 40 independent crude oil producer as defined in paragraph (3). The

1 board shall not identify a company as exempt from the fee
2 requirements of this section if that company was reorganized, sold,
3 or otherwise modified with the intent of circumventing the
4 requirements of this section.

5 (3) For purposes of this chapter, “independent crude oil
6 producer” means ~~any~~ a person or entity producing crude oil within
7 this state who ~~performs no refining of~~ *does not refine* crude oil
8 into product, and who ~~possesses~~ *does not possess* or ~~owns no own~~
9 *a retail gasoline marketing facilities facility*.

10 (d) ~~Every~~ A marine terminal operator shall pay a uniform oil
11 spill response fee in an amount not exceeding twenty-five cents
12 (\$0.25), in accordance with subdivision (g), for each barrel of
13 crude oil, as set by the administrator pursuant to subdivision (f),
14 that is transported from within this state by means of marine vessel
15 to a destination outside this state.

16 (e) ~~Every~~ An operator of a pipeline shall pay a uniform oil spill
17 response fee in an amount not exceeding twenty-five cents (\$0.25),
18 in accordance with subdivision (g), for each barrel of crude oil, as
19 set by the administrator pursuant to subdivision (f), transported
20 out of the state by pipeline.

21 (f) (1) The fees required pursuant to this section shall be
22 collected during any period for which the administrator determines
23 that collection is necessary for any of the following reasons:

24 (A) The amount in the fund is less than or equal to 95 percent
25 of the designated amount specified in subdivision (a) of Section
26 46012 of the Revenue and Taxation Code.

27 (B) Additional money is required to pay for the purposes
28 specified in subdivision (k).

29 (C) The revenue is necessary to repay ~~any~~ a draw on a financial
30 security obtained by the Treasurer pursuant to subdivision (o) or
31 ~~any~~ borrowing by the Treasurer pursuant to Article 7.5
32 (commencing with Section 8670.53.1) including any principal,
33 interest, premium, fees, charges, or costs of any kind incurred in
34 connection with those borrowings or financial security.

35 (2) The administrator, in consultation with the State Board of
36 Equalization, and with the approval of the Treasurer, may direct
37 the State Board of Equalization to cease collecting the fee when
38 the administrator determines that further collection of the fee is
39 not necessary for the purposes specified in paragraph (1).

1 (3) The administrator, in consultation with the State Board of
2 Equalization, shall set the amount of the oil spill response fees.
3 The oil spill response fees shall be imposed on all feepayers in the
4 same amount. The administrator shall not set the amount of the
5 fee at less than twenty-five cents (\$0.25) for each barrel of
6 petroleum products or crude oil, unless the administrator finds that
7 the assessment of a lesser fee will cause the fund to reach the
8 designated amount specified in subdivision (a) of Section 46012
9 of the Revenue and Taxation Code within four months. The fee
10 shall not be less than twenty-five cents (\$0.25) for each barrel of
11 petroleum products or crude oil if the administrator has drawn
12 upon the financial security obtained by the Treasurer pursuant to
13 subdivision (o) or if the Treasurer has borrowed money pursuant
14 to Article 7.5 (commencing with Section 8670.53.1) and principal,
15 interest, premium, fees, charges, or costs of any kind incurred in
16 connection with those borrowings remain outstanding or unpaid,
17 unless the Treasurer has certified to the administrator that the
18 money in the fund is not necessary for the purposes specified in
19 paragraph (1).

20 (g) The fees imposed by subdivisions (d) and (e) shall be
21 imposed in any calendar year beginning the month following the
22 month when the total cumulative year-to-date barrels of crude oil
23 transported outside the state by all feepayers by means of vessel
24 or pipeline exceeds 6 percent by volume of the total barrels of
25 crude oil and petroleum products subject to oil spill response fees
26 under subdivisions (a), (b), and (c) for the prior calendar year.

27 (h) For purposes of this chapter, “designated amount” means
28 the amounts specified in Section 46012 of the Revenue and
29 Taxation Code.

30 (i) The administrator, in consultation with the State Board of
31 Equalization and with the approval of the Treasurer, shall authorize
32 refunds of any money collected that is not necessary for the
33 purposes specified in paragraph (1) of subdivision (f). The State
34 Board of Equalization, as directed by the administrator, and in
35 accordance with Section 46653 of the Revenue and Taxation Code,
36 shall refund the excess amount of fees collected to each feepayer
37 who paid the fee to the state, in proportion to the amount that each
38 feepayer paid into the fund during the preceding 12 monthly
39 reporting periods in which there was a fee due, including the month
40 in which the fund exceeded the specified amount. If the total

1 amount of money in the fund exceeds the amount specified in this
2 subdivision by 10 percent or less, refunds need not be ordered by
3 the administrator. ~~Nothing in this~~ *This section shall does not* require
4 the refund of excess fees as provided in this subdivision more
5 frequently than once each year.

6 (j) The State Board of Equalization shall collect the fee and
7 adopt regulations implementing the fee collection program. All
8 fees collected pursuant to this section shall be deposited in the Oil
9 Spill Response Trust Fund.

10 (k) The fee described in this section shall be collected solely
11 for any of the following purposes:

12 (1) To provide funds to cover promptly the costs of response,
13 containment, and cleanup of oil spills into marine waters, including
14 damage assessment costs, and wildlife rehabilitation as provided
15 in Section 8670.61.5.

16 (2) To cover response and cleanup costs and other damages
17 suffered by the state or other persons or entities from oil spills into
18 marine waters, which cannot otherwise be compensated by
19 responsible parties or the federal government.

20 (3) To pay claims for damages pursuant to Section 8670.51.

21 (4) To pay claims for damages, except for damages described
22 in paragraph (7) of subdivision (h) of Section 8670.56.5, pursuant
23 to Section 8670.51.1.

24 (5) To pay for the cost of obtaining financial security in the
25 amount specified in subdivision (b) of Section 46012 of the
26 Revenue and Taxation Code, as authorized by subdivision (o).

27 (6) To pay indemnity and related costs and expenses as
28 authorized by Section 8670.56.6.

29 (7) To pay principal, interest, premium, if any, and fees, charges,
30 and costs of any kind incurred in connection with moneys drawn
31 by the administrator on the financial security obtained by the
32 Treasurer pursuant to subdivision (o) or borrowed by the Treasurer
33 pursuant to Article 7.5 (commencing with Section 8670.53.1).

34 (8) To pay for the costs of rescue, medical treatment,
35 rehabilitation, and disposition of oiled wildlife, as incurred by the
36 network of oiled wildlife rescue and rehabilitation stations created
37 pursuant to Section 8670.37.5.

38 (l) (1) The interest that the state earns on the funds deposited
39 into the Oil Spill Response Trust Fund shall be deposited in the
40 fund and shall be used to maintain the fund at the designated

1 amount specified in subdivision (a) of Section 46012 of the
2 Revenue and Taxation Code. Interest earned until July 1, 1998,
3 on funds deposited pursuant to subdivision (a) of Section 46012
4 of the Revenue and Taxation Code, as determined jointly by the
5 Controller and the Director of Finance, shall be available upon
6 appropriation by the Legislature in the Budget Act to establish,
7 equip, operate, and maintain the network of rescue and
8 rehabilitation stations for oiled wildlife as described in Section
9 8670.37.5 and to support technology development and research
10 related to oiled wildlife care. Interest earned on the financial
11 security portion of the fund, required to be accessible pursuant to
12 subdivision (b) of Section 46012 of the Revenue and Taxation
13 Code shall not be available for that purpose. If the amount in the
14 fund exceeds that designated amount, the interest not needed to
15 equip, operate, and maintain the network of rescue and
16 rehabilitation stations, or for appropriate technology development
17 and research regarding oiled wildlife care, shall be deposited into
18 the Oil Spill Prevention and Administration Fund, and shall be
19 available for the purposes authorized by Article 6 (commencing
20 with Section 8670.38).

21 (2) (A) For each fiscal year, consistent with this article, the
22 administrator shall submit, as a proposed appropriation in the
23 Governor's Budget, an amount up to ~~one million five hundred~~
24 ~~thousand dollars (\$1,500,000)~~, *the total amount* of the interest
25 earned on the funds deposited into the Oil Spill Response Trust
26 Fund, for the purpose of equipping, operating, and maintaining
27 the network of oiled wildlife rescue and rehabilitation stations
28 established pursuant to Section 8670.37.5 and for support of
29 technology development and research related to oiled wildlife care.
30 The remaining interest shall be deposited into the Oil Spill
31 Prevention and Administration Fund pursuant to paragraph (1).

32 (B) The administrator shall report to the Legislature not later
33 than June 30, 2002, on the progress and effectiveness of the
34 network of oiled wildlife rescue and rehabilitation stations
35 established pursuant to Section 8670.37.5, and the adequacy of
36 the Oil Spill Response Trust Fund to meet the purposes for which
37 it was established.

38 (C) At the administrator's request, the funds made available
39 pursuant to this paragraph may be directly appropriated to a suitable
40 program for wildlife health and rehabilitation within a school of

1 veterinary medicine within this state, provided that an agreement
2 exists, consistent with this chapter, between the administrator and
3 an appropriate representative of the program for carrying out that
4 purpose. The administrator shall attempt to have an agreement in
5 place at all times. The agreement shall ensure that the training of,
6 and the care provided by, the program staff are at levels that are
7 consistent with those standards generally accepted within the
8 veterinary profession.

9 (D) The funds made available pursuant to this paragraph shall
10 not be considered an offset to any other state funds appropriated
11 to the program, the program's associated school of veterinary
12 medicine, or the program's associated college or university, and
13 the funds shall not be used for any other purpose. If an offset does
14 occur or the funds are used for an unintended purpose, expenditure
15 of any appropriation of funds pursuant to this paragraph may be
16 terminated by the administrator and the administrator may request
17 a reappropriation to accomplish the intended purpose. The
18 administrator shall annually review and approve the proposed uses
19 of any funds made available pursuant to this paragraph.

20 (m) The Legislature finds and declares that effective response
21 to oil spills requires that the state have available sufficient funds
22 in a response fund. The Legislature further finds and declares that
23 maintenance of that fund is of utmost importance to the state and
24 that the money in the fund shall be used solely for the purposes
25 specified in subdivision (k).

26 (n) It is the intent of the Legislature, in enacting this section,
27 that the fee shall not be imposed by a refiner, or a person or entity
28 acting as an agent for a refiner, on crude oil produced by an
29 independent crude oil producer.

30 (o) The Treasurer shall obtain financial security, in the
31 designated amount specified in subdivision (b) of Section 46012
32 of the Revenue and Taxation Code, in a form which, in the event
33 of an oil spill, may be drawn upon immediately by the administrator
34 upon making the determinations required by paragraph (2) of
35 subdivision (a) of Section 8670.49. The financial security may be
36 obtained in any of the forms described in subdivision (b) of Section
37 8670.53.3, as determined by the Treasurer.

- 1 (p) ~~Nothing in this~~ *This section limits does not limit* the authority
- 2 of the administrator to raise oil spill response fees pursuant to
- 3 Section 8670.48.5.

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