

AMENDED IN ASSEMBLY MARCH 25, 2008

CALIFORNIA LEGISLATURE—2007–08 REGULAR SESSION

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 amended, 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~~ *direction* 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~~ *Oiled Wildlife Care Network* shall include proactive oiled wildlife search and ~~rescue~~ collection *rescue efforts*. 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~~ *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 *\$1.5 million or* an amount up to the total amount of interest earned on the funds in the Oil Spill Response Trust Fund *in the most recent fiscal year for which interest earnings are known, whichever is greater*, 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~~

1 ~~November 2007 spill of 58,000 gallons of bunker fuel into San~~
2 ~~Francisco Bay, have been inadequate, and the dedication of~~
3 ~~additional resources to these efforts will help increase the number~~
4 ~~of oiled birds collected from the field and brought in for treatment.~~

5 *(b) The state's capacity to conduct search and collection for*
6 *rescue of oiled wildlife should be strengthened and improved to*
7 *ensure that, to the extent feasible, the maximum number of oiled*
8 *wildlife are collected and receive timely and effective treatment,*
9 *thus ensuring the best achievable standard for oiled wildlife.*

10 (c) The state should enhance its capacity for oiled wildlife
11 response, including the provision of pretrained personnel and
12 emergency equipment readily available for deployment, to do all
13 of the following:

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

15 (2) Collect *live* oiled wildlife for treatment through proactive
16 search and ~~rescue field~~ collection efforts.

17 (3) Ensure that appropriate pretraining and equipment ~~is~~ *are*
18 provided to staff, volunteers, and *representatives from* local
19 agencies that may be enlisted to assist the state in collecting oiled
20 wildlife in future spills.

21 (d) The state's capacity to prevent wildlife from being
22 contaminated by spilled oil, and to rescue and provide rehabilitative
23 care to oiled wildlife, can be significantly enhanced through an
24 expanded program for advanced recruitment and pretraining of
25 volunteers in hazardous materials handling and wildlife collection,
26 and the provision of emergency field collection equipment in
27 strategic locations where it can be readily deployed in the case of
28 a spill. The capacity of the ~~oiled wildlife care network~~ *Oiled*
29 *Wildlife Care Network* to provide wildlife care and rehabilitation
30 may be significantly enhanced by a ready pool of pretrained
31 volunteers, with more highly trained volunteers performing more
32 complex tasks and convergent volunteers playing vital support
33 roles.

34 (e) It is the intent of the Legislature that the Office of Oil Spill
35 Prevention and Response increase the number of pretrained
36 individuals available for immediate deployment in the event of an
37 oil spill to assist in proactive wildlife search and rescue efforts,
38 and ensure that all wildlife recovery teams are supervised by
39 qualified personnel with appropriate training and experience in
40 wildlife handling and search and rescue techniques.

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

3 8670.37.5. (a) The administrator shall establish a network of
4 rescue and rehabilitation stations for sea birds, sea otters, and other
5 marine mammals. In addition to rehabilitative care, the primary
6 focus of the ~~oiled wildlife care network~~ *Oiled Wildlife Care*
7 *Network* shall include proactive oiled wildlife search and ~~rescue~~
8 ~~collection~~ *collection rescue efforts*. These facilities shall be
9 established and maintained in a state of preparedness to provide
10 the best achievable treatment for marine mammals and birds
11 affected by an oil spill in marine waters. The administrator shall
12 consider all feasible management alternatives for operation of the
13 network.

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

31 (c) The administrator shall consult with the United States Fish
32 and Wildlife Service, the National Marine Fisheries Service, the
33 California Coastal Commission, the Executive Director of the San
34 Francisco Bay Conservation and Development Commission, the
35 Marine Mammal Center, and the International Bird Rescue Center
36 in the design, planning, construction, and operation of the rescue
37 and rehabilitation stations. All proposals for the rescue and
38 rehabilitation stations shall be presented before a public hearing
39 prior to the construction and operation of any rehabilitation station,
40 and, upon completion of the coastal protection element of the

1 California oil spill contingency plan, shall be consistent with the
2 coastal protection element.

3 (d) The administrator may enter into agreements with nonprofit
4 organizations to establish and equip wildlife rescue and
5 rehabilitation stations and to ensure that they are operated in a
6 professional manner in keeping with the pertinent guidance
7 documents issued by the Office of Oil Spill Prevention and
8 Response in the Department of Fish and Game. The implementation
9 of the agreement shall not constitute a California public works
10 project. The agreement shall be deemed a contract for wildlife
11 rehabilitation as authorized by Section 8670.61.5.

12 (e) In the event of a spill, the responsible party may request that
13 the administrator perform the rescue and rehabilitation of oiled
14 wildlife required of the responsible party pursuant to this chapter
15 if the responsible party and the administrator enter into an
16 agreement for the reimbursement of the administrator's costs
17 incurred in taking the requested action. If the administrator
18 performs the rescue and rehabilitation of oiled wildlife, the
19 administrator shall primarily utilize the network of rescue and
20 rehabilitation stations established pursuant to subdivision (a),
21 unless more immediate care is required. Any of those activities
22 conducted pursuant to this section or Section 8670.56.5 or
23 8670.61.5 shall be performed under the direction of the
24 administrator. This subdivision does not remove the responsible
25 party from liability for the costs of, nor the responsibility for, the
26 rescue and rehabilitation of oiled wildlife, as established by this
27 chapter. This subdivision does not prohibit an owner or operator
28 from retaining, in a contingency plan prepared pursuant to this
29 article, wildlife rescue and rehabilitation services different from
30 the rescue and rehabilitation stations established pursuant to this
31 section.

32 (f) (1) The administrator shall appoint a rescue and
33 rehabilitation advisory board to advise the administrator regarding
34 operation of the network of rescue and rehabilitation stations
35 established pursuant to subdivision (a), including the economic
36 operation and maintenance of the network. For the purpose of
37 assisting the administrator in determining what constitutes the best
38 achievable treatment for oiled wildlife, the advisory board shall
39 provide recommendations to the administrator on the care achieved
40 by current standard treatment methods, new or alternative treatment

1 methods, the costs of treatment methods, and any other information
2 that the advisory board believes that the administrator might find
3 useful in making that determination. The administrator shall consult
4 *with* the advisory board in preparing the administrator's submission
5 to the Legislature pursuant to subparagraph (A) of paragraph (2)
6 of subdivision (l) of Section 8670.48. The administrator shall
7 present the recommendations of the advisory board to the Oil Spill
8 Technical Advisory Committee created pursuant to Article 8
9 (commencing with Section 8670.54), upon the request of the
10 committee.

11 (2) The advisory board shall consist of a balance between
12 representatives of the oil industry, wildlife rehabilitation
13 organizations, and academia. One academic representative shall
14 be from a veterinary school within this state. The United States
15 Fish and Wildlife Service and the National Marine Fisheries
16 Service shall be requested to participate as ex officio members.

17 (3) (A) The Legislature hereby finds and declares that since
18 the administrator may rely on the expertise provided by the
19 volunteer members of the advisory board and may be guided by
20 their recommendations in making decisions that relate to the
21 operation of the network of rescue and rehabilitation stations, those
22 members should be entitled to the same immunity from liability
23 that is provided other public employees.

24 (B) Members of the advisory board, while performing functions
25 within the scope of advisory board duties, shall be entitled to the
26 same rights and immunities granted public employees by Article
27 3 (commencing with Section 820) of Chapter 1 of Part 2 of
28 Division 3.6 of Title 1. Those rights and immunities are deemed
29 to have attached, and shall attach, as of the date of appointment
30 of the member to the advisory board.

31 (g) The administrator shall enhance the state's ability to prevent
32 the contamination of wildlife and to identify, collect, rescue, and
33 treat oiled wildlife; through all of the following:

34 (1) Providing for the recruitment and training of an expanded
35 network of wildlife specialists and volunteers from ~~oiled wildlife~~
36 ~~care network~~ *Oiled Wildlife Care Network* participant organizations
37 who can be called into immediate action in the event of an oil spill
38 to assist in the field *with* collection of *live* oiled wildlife. The
39 training shall include a process for certification of trained
40 volunteers and renewal of certifications. The initial *wildlife rescue*

1 training ~~for bird rescue~~ shall include field experience in species
2 identification and appropriate field collection techniques for species
3 at risk in different spills. In addition to training in ~~bird~~ *wildlife*
4 rescue, the administrator shall provide for appropriate hazardous
5 materials training for new volunteers and contract personnel, with
6 refresher courses offered as necessary to allow for continual
7 readiness of search and collection teams.

8 (2) Developing and implementing a plan for the provision of
9 emergency equipment ~~for bird~~ *wildlife* rescue in strategic locations
10 to facilitate ready deployment in the case of an oil spill. The
11 administrator shall ensure that the equipment identified as
12 necessary in his or her wildlife response plan is available and
13 deployed in a timely manner to assist in providing the best ~~available~~
14 *achievable* protection and collection efforts.

15 (3) Enhancing the capacity of the ~~oiled wildlife care network~~
16 *Oiled Wildlife Care Network* to recruit and train a larger field team
17 for collection of *live* oiled wildlife, as specified in paragraph (1),
18 by providing staffing for field operations, coordination, and
19 volunteer outreach for the ~~oiled wildlife care network~~ *Oiled*
20 *Wildlife Care Network*. The duties of the field operations and
21 volunteer outreach staff shall include recruitment and coordination
22 of additional participation in the ~~oiled wildlife care network~~ *Oiled*
23 *Wildlife Care Network* by other existing organizations with
24 experience and expertise in wildlife rescue and handling, including
25 scientific organizations, educational institutions, public agencies,
26 and nonprofit organizations dedicated to wildlife conservation,
27 and recruitment, training, and supervision of volunteers from ~~oiled~~
28 ~~wildlife care network~~ *Oiled Wildlife Care Network* participating
29 organizations.

30 (4) Ensuring that qualified persons with experience and expertise
31 in wildlife rescue are assigned to oversee and supervise wildlife
32 recovery search and collection efforts, as specified in the
33 ~~administrators~~ *administrator's* wildlife response plan. The
34 administrator shall provide for and ensure that all persons involved
35 in field collection of oiled wildlife receive training in search and
36 capture techniques and hazardous materials certification, as
37 appropriate.

38 (5) ~~Expanding the readiness of the network of oiled wildlife~~
39 ~~rescue and rehabilitation stations to respond to oil spills in inland~~
40 ~~areas by expanding the network to include more volunteer wildlife~~

1 ~~organizations in other areas of the state, and by expanding the~~
2 ~~mobile capacity of the network, through use of modified trailers,~~
3 ~~tents, and other transportable equipment that may be used to enable~~
4 ~~initial stabilization of oiled wildlife until transport can be arranged~~
5 ~~to other existing permanent facilities.~~

6 SEC. 3. Section 8670.40 of the Government Code is amended
7 to read:

8 8670.40. (a) The State Board of Equalization shall collect a
9 fee in an amount determined by the administrator to be sufficient
10 to carry out the purposes set forth in subdivision (e), and a
11 reasonable reserve for contingencies. The annual assessment may
12 not exceed five cents (\$0.05) per barrel of crude oil or petroleum
13 products.

14 (b) (1) The oil spill prevention and administration fee shall be
15 imposed upon a person owning crude oil at the time that crude oil
16 is received at a marine terminal from within or outside the state,
17 and upon a person who owns petroleum products at the time that
18 those petroleum products are received at a marine terminal from
19 outside this state. The fee shall be collected by the marine terminal
20 operator from the owner of the crude oil or petroleum products
21 based on each barrel of crude oil or petroleum products so received
22 by means of a vessel operating in, through, or across the marine
23 waters of the state. In addition, an operator of a pipeline shall pay
24 the oil spill prevention and administration fee for each barrel of
25 crude oil originating from a production facility in marine waters
26 and transported in the state by means of a pipeline operating across,
27 under, or through the marine waters of the state. The fees shall be
28 remitted to the board by the terminal or pipeline operator on the
29 25th day of the month based upon the number of barrels of crude
30 oil or petroleum products received at a marine terminal or
31 transported by pipeline during the preceding month. A fee shall
32 not be imposed pursuant to this section with respect to crude oil
33 or petroleum products if the person who would be liable for that
34 fee, or responsible for its collection, establishes that the fee has
35 been collected by a terminal operator registered under this chapter
36 or paid to the board with respect to the crude oil or petroleum
37 product.

38 (2) An owner of crude oil or petroleum products is liable for
39 the fee until it has been paid to the board, except that payment to

1 a marine terminal operator registered under this chapter is sufficient
2 to relieve the owner from further liability for the fee.

3 (3) On or before January 20, the administrator shall annually
4 prepare a plan that projects revenues and expenses over three fiscal
5 years, including the current year. Based on the plan, the
6 administrator shall set the fee so that projected revenues, including
7 any interest, are equivalent to expenses as reflected in the current
8 Budget Act and in the proposed budget submitted by the Governor.
9 In setting the fee, the administrator may allow for a surplus if the
10 administrator finds that revenues will be exhausted during the
11 period covered by the plan or that the surplus is necessary to cover
12 possible contingencies.

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

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

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

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

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

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

26 (4) To reimburse the member agencies of the State Interagency
27 Oil Spill Committee for costs arising from implementation of this
28 chapter, Article 3.5 (commencing with Section 8574.1) of Chapter
29 7 of this code, and Division 7.8 (commencing with Section 8750)
30 of the Public Resources Code.

31 (5) To implement, install, and maintain emergency programs,
32 equipment, and facilities to respond to, contain, and clean up oil
33 spills and to ensure that those operations will be carried out as
34 intended.

35 (6) To respond to an imminent threat of a spill in accordance
36 with the provisions of Section 8670.62 pertaining to threatened
37 discharges. The cumulative amount of an expenditure for this
38 purpose shall not exceed the amount of one hundred thousand
39 dollars (\$100,000) in a fiscal year unless the administrator receives
40 the approval of the Director of Finance and notification is given

1 to the Joint Legislative Budget Committee. Commencing with the
2 1993–94 fiscal year, and each fiscal year thereafter, it is the intent
3 of the Legislature that the annual Budget Act contain an
4 appropriation of one hundred thousand dollars (\$100,000) from
5 the fund for the purpose of allowing the administrator to respond
6 to threatened oil spills.

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

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

14 (9) To cover costs incurred by the ~~oiled wildlife care network~~
15 *Oiled Wildlife Care Network* established by Section 8670.37.5 for
16 training and field collection, and search and rescue activities,
17 pursuant to subdivision (g) of Section 8670.37.5.

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

20 SEC. 4. Section 8670.48 of the Government Code is amended
21 to read:

22 8670.48. (a) (1) A uniform oil spill response fee in an amount
23 not exceeding twenty-five cents (\$0.25) for each barrel of
24 petroleum products, as set by the administrator pursuant to
25 subdivision (f), shall be imposed upon a person who owns
26 petroleum products at the time the petroleum products are received
27 at a marine terminal within this state by means of a vessel from a
28 point of origin outside this state. The fee shall be remitted to the
29 State Board of Equalization by the terminal operator on the 25th
30 day of each month based upon the number of barrels of petroleum
31 products received during the preceding month.

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

36 (b) An operator of a pipeline shall also pay a uniform oil spill
37 response fee in an amount not exceeding twenty-five cents (\$0.25)
38 for each barrel of petroleum products, as set by the administrator
39 pursuant to subdivision (f), transported into the state by means of
40 a pipeline operating across, under, or through the marine waters

1 of the state. The fee shall be paid on the 25th day of each month
2 based upon the number of barrels of petroleum products so
3 transported into the state during the preceding month.

4 (c) (1) An operator of a refinery shall pay a uniform oil spill
5 response fee in an amount not exceeding twenty-five cents (\$0.25)
6 for each barrel of crude oil, as set by the administrator pursuant
7 to subdivision (f), received at a refinery within the state. The fee
8 shall be paid on the 25th day of each month based upon the number
9 of barrels of crude oil so received during the preceding month.

10 (2) The fee shall not be imposed by a refiner, or a person or
11 entity acting as an agent for a refiner, on crude oil produced by an
12 independent crude oil producer as defined in paragraph (3). The
13 board shall not identify a company as exempt from the fee
14 requirements of this section if that company was reorganized, sold,
15 or otherwise modified with the intent of circumventing the
16 requirements of this section.

17 (3) For purposes of this chapter, “independent crude oil
18 producer” means a person or entity producing crude oil within this
19 state who does not refine crude oil into a product, and who does
20 not possess or own a retail gasoline marketing facility.

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

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

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

35 (A) The amount in the fund is less than or equal to 95 percent
36 of the designated amount specified in subdivision (a) of Section
37 46012 of the Revenue and Taxation Code.

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

1 (C) The revenue is necessary to repay a draw on a financial
2 security obtained by the Treasurer pursuant to subdivision (o) or
3 borrowing by the Treasurer pursuant to Article 7.5 (commencing
4 with Section 8670.53.1) including any principal, interest, premium,
5 fees, charges, or costs of any kind incurred in connection with
6 those borrowings or financial security.

7 (2) The administrator, in consultation with the State Board of
8 Equalization, and with the approval of the Treasurer, may direct
9 the State Board of Equalization to cease collecting the fee when
10 the administrator determines that further collection of the fee is
11 not necessary for the purposes specified in paragraph (1).

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

31 (g) The fees imposed by subdivisions (d) and (e) shall be
32 imposed in any calendar year beginning the month following the
33 month when the total cumulative year-to-date barrels of crude oil
34 transported outside the state by all feepayers by means of vessel
35 or pipeline ~~exceeds~~ *exceed* 6 percent by volume of the total barrels
36 of crude oil and petroleum products subject to oil spill response
37 fees under subdivisions (a), (b), and (c) for the prior calendar year.

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

1 (i) The administrator, in consultation with the State Board of
2 Equalization and with the approval of the Treasurer, shall authorize
3 refunds of any money collected that is not necessary for the
4 purposes specified in paragraph (1) of subdivision (f). The State
5 Board of Equalization, as directed by the administrator, and in
6 accordance with Section 46653 of the Revenue and Taxation Code,
7 shall refund the excess amount of fees collected to each feepayer
8 who paid the fee to the state, in proportion to the amount that each
9 feepayer paid into the fund during the preceding 12 monthly
10 reporting periods in which there was a fee due, including the month
11 in which the fund exceeded the specified amount. If the total
12 amount of money in the fund exceeds the amount specified in this
13 subdivision by 10 percent or less, refunds need not be ordered by
14 the administrator. This section does not require the refund of excess
15 fees as provided in this subdivision more frequently than once
16 each year.

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

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

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

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

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

32 (4) To pay claims for damages, except for damages described
33 in paragraph (7) of subdivision (h) of Section 8670.56.5, pursuant
34 to Section 8670.51.1.

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

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

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

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

10 (l) (1) The interest that the state earns on the funds deposited
11 into the Oil Spill Response Trust Fund shall be deposited in the
12 fund and shall be used to maintain the fund at the designated
13 amount specified in subdivision (a) of Section 46012 of the
14 Revenue and Taxation Code. Interest earned until July 1, 1998,
15 on funds deposited pursuant to subdivision (a) of Section 46012
16 of the Revenue and Taxation Code, as determined jointly by the
17 Controller and the Director of Finance, shall be available upon
18 appropriation by the Legislature in the Budget Act to establish,
19 equip, operate, and maintain the network of rescue and
20 rehabilitation stations for oiled wildlife as described in Section
21 8670.37.5 and to support technology development and research
22 related to oiled wildlife care. Interest earned on the financial
23 security portion of the fund, required to be accessible pursuant to
24 subdivision (b) of Section 46012 of the Revenue and Taxation
25 Code shall not be available for that purpose. If the amount in the
26 fund exceeds that designated amount, the interest not needed to
27 equip, operate, and maintain the network of rescue and
28 rehabilitation stations, or for appropriate technology development
29 and research regarding oiled wildlife care, shall be deposited into
30 the Oil Spill Prevention and Administration Fund, and shall be
31 available for the purposes authorized by Article 6 (commencing
32 with Section 8670.38).

33 (2) (A) For each fiscal year, consistent with this article, the
34 administrator shall submit, as a proposed appropriation in the
35 Governor's Budget, *one million five hundred thousand dollars*
36 *(\$1,500,000), or an amount up to the total amount of the interest*
37 *earned on the funds deposited into the Oil Spill Response Trust*
38 *Fund in the most recent fiscal year for which interest earnings are*
39 *known, whichever is greater, for the purpose of equipping,*
40 *operating, and maintaining the network of oiled wildlife rescue*

1 and rehabilitation stations established pursuant to Section 8670.37.5
2 and for support of technology development and research related
3 to oiled wildlife care. The remaining interest, *if any*, shall be
4 deposited into the Oil Spill Prevention and Administration Fund
5 pursuant to paragraph (1).

6 (B) The administrator shall report to the Legislature not later
7 than June 30, 2002, on the progress and effectiveness of the
8 network of oiled wildlife rescue and rehabilitation stations
9 established pursuant to Section 8670.37.5, and the adequacy of
10 the Oil Spill Response Trust Fund to meet the purposes for which
11 it was established.

12 (C) At the administrator's request, the funds made available
13 pursuant to this paragraph may be directly appropriated to a suitable
14 program for wildlife health and rehabilitation within a school of
15 veterinary medicine within this state, provided that an agreement
16 exists, consistent with this chapter, between the administrator and
17 an appropriate representative of the program for carrying out that
18 purpose. The administrator shall attempt to have an agreement in
19 place at all times. The agreement shall ensure that the training of,
20 and the care provided by, the program staff are at levels that are
21 consistent with those standards generally accepted within the
22 veterinary profession.

23 (D) The funds made available pursuant to this paragraph shall
24 not be considered an offset to any other state funds appropriated
25 to the program, the program's associated school of veterinary
26 medicine, or the program's associated college or university, and
27 the funds shall not be used for any other purpose. If an offset does
28 occur or the funds are used for an unintended purpose, expenditure
29 of any appropriation of funds pursuant to this paragraph may be
30 terminated by the administrator and the administrator may request
31 a reappropriation to accomplish the intended purpose. The
32 administrator shall annually review and approve the proposed uses
33 of any funds made available pursuant to this paragraph.

34 (m) The Legislature finds and declares that effective response
35 to oil spills requires that the state have available sufficient funds
36 in a response fund. The Legislature further finds and declares that
37 maintenance of that fund is of utmost importance to the state and
38 that the money in the fund shall be used solely for the purposes
39 specified in subdivision (k).

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

5 (o) The Treasurer shall obtain financial security, in the
6 designated amount specified in subdivision (b) of Section 46012
7 of the Revenue and Taxation Code, in a form which, in the event
8 of an oil spill, may be drawn upon immediately by the administrator
9 upon making the determinations required by paragraph (2) of
10 subdivision (a) of Section 8670.49. The financial security may be
11 obtained in any of the forms described in subdivision (b) of Section
12 8670.53.3, as determined by the Treasurer.

13 (p) This section does not limit the authority of the administrator
14 to raise oil spill response fees pursuant to Section 8670.48.5.