

AMENDED IN SENATE JUNE 16, 2008

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 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 shall include proactive oiled wildlife search and collection rescue efforts. The bill would also require the administrator to ~~enhance~~ *ensure* 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 \$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 state's capacity to conduct search and collection for
- 10 rescue of oiled wildlife should be strengthened and improved to

1 ensure that, to the extent feasible, the maximum number of oiled
2 wildlife are collected and receive timely and effective treatment,
3 thus ensuring the best achievable standard for oiled wildlife.

4 (c) The state should enhance its capacity for oiled wildlife
5 response, including the provision of pretrained personnel and
6 emergency equipment readily available for deployment, to do all
7 of the following:

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

9 (2) Collect live oiled wildlife for treatment through proactive
10 search and collection efforts.

11 (3) Ensure that appropriate pretraining and equipment are
12 provided to staff, volunteers, and representatives from local
13 agencies that may be enlisted to assist the state in collecting oiled
14 wildlife in future spills.

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

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

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

36 8670.37.5. (a) The administrator shall establish a network of
37 rescue and rehabilitation stations for sea birds, sea otters, and other
38 marine mammals. In addition to rehabilitative care, the primary
39 focus of the Oiled Wildlife Care Network shall include proactive
40 oiled wildlife search and collection rescue efforts. These facilities

1 shall be established and maintained in a state of preparedness to
2 provide the best achievable treatment for marine mammals and
3 birds affected by an oil spill in marine waters. The administrator
4 shall consider all feasible management alternatives for operation
5 of the network.

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

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

35 (d) The administrator may enter into agreements with nonprofit
36 organizations to establish and equip wildlife rescue and
37 rehabilitation stations and to ensure that they are operated in a
38 professional manner in keeping with the pertinent guidance
39 documents issued by the Office of Spill Prevention and Response
40 in the Department of Fish and Game. The implementation of the

1 agreement shall not constitute a California public works project.
2 The agreement shall be deemed a contract for wildlife rehabilitation
3 as authorized by Section 8670.61.5.

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

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

1 (commencing with Section 8670.54), upon the request of the
2 committee.

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

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

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

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

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

39 (2) Developing and implementing a plan for the provision of
40 emergency equipment for wildlife rescue in strategic locations to

1 facilitate ready deployment in the case of an oil spill. The
2 administrator shall ensure that the equipment identified as
3 necessary in his or her wildlife response plan is available and
4 deployed in a timely manner to assist in providing the best
5 achievable protection and collection efforts.

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

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

26 SEC. 3. Section 8670.40 of the Government Code is amended
27 to read:

28 8670.40. (a) The State Board of Equalization shall collect a
29 fee in an amount determined by the administrator to be sufficient
30 to carry out the purposes set forth in subdivision (e), and a
31 reasonable reserve for contingencies. The annual assessment may
32 not exceed five cents (\$0.05) per barrel of crude oil or petroleum
33 products.

34 (b) (1) The oil spill prevention and administration fee shall be
35 imposed upon a person owning crude oil at the time that crude oil
36 is received at a marine terminal from within or outside the state,
37 and upon a person who owns petroleum products at the time that
38 those petroleum products are received at a marine terminal from
39 outside this state. The fee shall be collected by the marine terminal
40 operator from the owner of the crude oil or petroleum products

1 based on each barrel of crude oil or petroleum products so received
2 by means of a vessel operating in, through, or across the marine
3 waters of the state. In addition, an operator of a pipeline shall pay
4 the oil spill prevention and administration fee for each barrel of
5 crude oil originating from a production facility in marine waters
6 and transported in the state by means of a pipeline operating across,
7 under, or through the marine waters of the state. The fees shall be
8 remitted to the board by the terminal or pipeline operator on the
9 25th day of the month based upon the number of barrels of crude
10 oil or petroleum products received at a marine terminal or
11 transported by pipeline during the preceding month. A fee shall
12 not be imposed pursuant to this section with respect to crude oil
13 or petroleum products if the person who would be liable for that
14 fee, or responsible for its collection, establishes that the fee has
15 been collected by a terminal operator registered under this chapter
16 or paid to the board with respect to the crude oil or petroleum
17 product.

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

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

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

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

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

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

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

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

5 (4) To reimburse the member agencies of the State Interagency
6 Oil Spill Committee for costs arising from implementation of this
7 chapter, Article 3.5 (commencing with Section 8574.1) of Chapter
8 7 of this code, and Division 7.8 (commencing with Section 8750)
9 of the Public Resources Code.

10 (5) To implement, install, and maintain emergency programs,
11 equipment, and facilities to respond to, contain, and clean up oil
12 spills and to ensure that those operations will be carried out as
13 intended.

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

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

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

33 (9) To cover costs incurred by the Oiled Wildlife Care Network
34 established by Section 8670.37.5 for training and field collection,
35 and search and rescue activities, pursuant to subdivision (g) of
36 Section 8670.37.5.

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

39 SEC. 4. Section 8670.48 of the Government Code is amended
40 to read:

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

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

15 (b) An operator of a pipeline shall also pay a uniform oil spill
16 response fee in an amount not exceeding twenty-five cents (\$0.25)
17 for each barrel of petroleum products, as set by the administrator
18 pursuant to subdivision (f), transported into the state by means of
19 a pipeline operating across, under, or through the marine waters
20 of the state. The fee shall be paid on the 25th day of each month
21 based upon the number of barrels of petroleum products so
22 transported into the state during the preceding month.

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

29 (2) The fee shall not be imposed by a refiner, or a person or
30 entity acting as an agent for a refiner, on crude oil produced by an
31 independent crude oil producer as defined in paragraph (3). The
32 board shall not identify a company as exempt from the fee
33 requirements of this section if that company was reorganized, sold,
34 or otherwise modified with the intent of circumventing the
35 requirements of this section.

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

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

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

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

15 (A) The amount in the fund is less than or equal to 95 percent
16 of the designated amount specified in subdivision (a) of Section
17 46012 of the Revenue and Taxation Code.

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

20 (C) The revenue is necessary to repay a draw on a financial
21 security obtained by the Treasurer pursuant to subdivision (o) or
22 borrowing by the Treasurer pursuant to Article 7.5 (commencing
23 with Section 8670.53.1) including any principal, interest, premium,
24 fees, charges, or costs of any kind incurred in connection with
25 those borrowings or financial security.

26 (2) The administrator, in consultation with the State Board of
27 Equalization, and with the approval of the Treasurer, may direct
28 the State Board of Equalization to cease collecting the fee when
29 the administrator determines that further collection of the fee is
30 not necessary for the purposes specified in paragraph (1).

31 (3) The administrator, in consultation with the State Board of
32 Equalization, shall set the amount of the oil spill response fees.
33 The oil spill response fees shall be imposed on all feepayers in the
34 same amount. The administrator shall not set the amount of the
35 fee at less than twenty-five cents (\$0.25) for each barrel of
36 petroleum products or crude oil, unless the administrator finds that
37 the assessment of a lesser fee will cause the fund to reach the
38 designated amount specified in subdivision (a) of Section 46012
39 of the Revenue and Taxation Code within four months. The fee
40 shall not be less than twenty-five cents (\$0.25) for each barrel of

1 petroleum products or crude oil if the administrator has drawn
2 upon the financial security obtained by the Treasurer pursuant to
3 subdivision (o) or if the Treasurer has borrowed money pursuant
4 to Article 7.5 (commencing with Section 8670.53.1) and principal,
5 interest, premium, fees, charges, or costs of any kind incurred in
6 connection with those borrowings remain outstanding or unpaid,
7 unless the Treasurer has certified to the administrator that the
8 money in the fund is not necessary for the purposes specified in
9 paragraph (1).

10 (g) The fees imposed by subdivisions (d) and (e) shall be
11 imposed in any calendar year beginning the month following the
12 month when the total cumulative year-to-date barrels of crude oil
13 transported outside the state by all feepayers by means of vessel
14 or pipeline exceed 6 percent by volume of the total barrels of crude
15 oil and petroleum products subject to oil spill response fees under
16 subdivisions (a), (b), and (c) for the prior calendar year.

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

20 (i) The administrator, in consultation with the State Board of
21 Equalization and with the approval of the Treasurer, shall authorize
22 refunds of any money collected that is not necessary for the
23 purposes specified in paragraph (1) of subdivision (f). The State
24 Board of Equalization, as directed by the administrator, and in
25 accordance with Section 46653 of the Revenue and Taxation Code,
26 shall refund the excess amount of fees collected to each feepayer
27 who paid the fee to the state, in proportion to the amount that each
28 feepayer paid into the fund during the preceding 12 monthly
29 reporting periods in which there was a fee due, including the month
30 in which the fund exceeded the specified amount. If the total
31 amount of money in the fund exceeds the amount specified in this
32 subdivision by 10 percent or less, refunds need not be ordered by
33 the administrator. This section does not require the refund of excess
34 fees as provided in this subdivision more frequently than once
35 each year.

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

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

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

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

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

12 (4) To pay claims for damages, except for damages described
13 in paragraph (7) of subdivision (h) of Section 8670.56.5, pursuant
14 to Section 8670.51.1.

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

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

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

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

29 (l) (1) The interest that the state earns on the funds deposited
30 into the Oil Spill Response Trust Fund shall be deposited in the
31 fund and shall be used to maintain the fund at the designated
32 amount specified in subdivision (a) of Section 46012 of the
33 Revenue and Taxation Code. Interest earned until July 1, 1998,
34 on funds deposited pursuant to subdivision (a) of Section 46012
35 of the Revenue and Taxation Code, as determined jointly by the
36 Controller and the Director of Finance, shall be available upon
37 appropriation by the Legislature in the Budget Act to establish,
38 equip, operate, and maintain the network of rescue and
39 rehabilitation stations for oiled wildlife as described in Section
40 8670.37.5 and to support technology development and research

1 related to oiled wildlife care. Interest earned on the financial
2 security portion of the fund, required to be accessible pursuant to
3 subdivision (b) of Section 46012 of the Revenue and Taxation
4 Code shall not be available for that purpose. If the amount in the
5 fund exceeds that designated amount, the interest not needed to
6 equip, operate, and maintain the network of rescue and
7 rehabilitation stations, or for appropriate technology development
8 and research regarding oiled wildlife care, shall be deposited into
9 the Oil Spill Prevention and Administration Fund, and shall be
10 available for the purposes authorized by Article 6 (commencing
11 with Section 8670.38).

12 (2) (A) For each fiscal year, consistent with this article, the
13 administrator shall submit, as a proposed appropriation in the
14 Governor’s Budget, one million five hundred thousand dollars
15 (\$1,500,000), or an amount up to the total amount of the interest
16 earned on the funds deposited into the Oil Spill Response Trust
17 Fund in the most recent fiscal year for which interest earnings are
18 known, whichever is greater, for the purpose of equipping,
19 operating, and maintaining the network of oiled wildlife rescue
20 and rehabilitation stations established pursuant to Section 8670.37.5
21 and for support of technology development and research related
22 to oiled wildlife care. The remaining interest, if any, shall be
23 deposited into the Oil Spill Prevention and Administration Fund
24 pursuant to paragraph (1).

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

31 (C) At the administrator’s request, the funds made available
32 pursuant to this paragraph may be directly appropriated to a suitable
33 program for wildlife health and rehabilitation within a school of
34 veterinary medicine within this state, provided that an agreement
35 exists, consistent with this chapter, between the administrator and
36 an appropriate representative of the program for carrying out that
37 purpose. The administrator shall attempt to have an agreement in
38 place at all times. The agreement shall ensure that the training of,
39 and the care provided by, the program staff are at levels that are

1 consistent with those standards generally accepted within the
2 veterinary profession.

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

14 (m) The Legislature finds and declares that effective response
15 to oil spills requires that the state have available sufficient funds
16 in a response fund. The Legislature further finds and declares that
17 maintenance of that fund is of utmost importance to the state and
18 that the money in the fund shall be used solely for the purposes
19 specified in subdivision (k).

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

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

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

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