

(jointly and severally), and the Fund established by section 204(c) of the Act, shall be strictly liable without regard to fault in accordance with that section for all damages, including clean-up costs, sustained by any person or entity, public or private, including residents of Canada, as a result of any discharge of TAPS oil from such vessel. Strict liability under this section shall cease when the TAPS oil has first been brought ashore at a port under the jurisdiction of the United States.

(b) Strict liability shall not be imposed under this part if the Owner or Operator of the vessel, or the Fund, can prove that the damages were caused by an act of war or by the negligence of the United States or other governmental agency. Strict liability shall not be imposed under the Act with respect to the claim of a damaged party if the Owner or Operator of the vessel, or the Fund, can prove that the damage was caused by the negligence of such damaged party.

(c)(1) Strict liability for all claims arising out of any one incident shall not exceed \$100 million. The Owner and Operator of the vessel shall be jointly and severally liable for the first \$14 million of the claims that meet the definition of damages as provided for in these regulations. The Fund shall be liable for the balance of the claims that meet the same definition up to \$100 million. If the total of these claims exceeds \$100 million, they shall be reduced proportionately. The unpaid portion of any claim may be asserted and adjudicated under other applicable Federal or State law.

(2) The Fund shall establish uniform procedures to determine whether claims from a TAPS oil spill might exceed \$14 million and \$100 million. These procedures shall provide that when a determination is made that claims may exceed \$100 million, payment of claims may be withheld in full or in part for a twenty-four month period so that claims may be proportionately reduced prior to payment.

(d)(1) Each Owner or Operator of a vessel shall obtain from the Federal Maritime Commission a "Certificate of Financial Responsibility (Alaska Pipeline)" demonstrating compliance with the provisions of section 311(p) of the

Federal Water Pollution Control Act, as amended (33 U.S.C. 1321(p)), and regulations promulgated pursuant to such act (33 CFR part 131). Notwithstanding inconsistent language in such act, financial responsibility in the amount of \$14 million for all such vessels must be established.

(2) The certificate obtained in accordance with this subsection shall be carried on board the vessel. No TAPS oil may be loaded on any vessel which has not been issued a valid certificate which is still in effect at the time of loading.

§ 29.8 Notification and advertisement.

(a) As soon as the person in charge of a vessel has knowledge of an incident in which the vessel is involved, he shall immediately notify the Owner or Operator and the National Response Center, (800) 424-6802, of the incident. Notification under this section is in addition to any notification requirements under section 311(b)(5) of the Federal Water Pollution Control Act, as amended, and the regulations of the Coast Guard and the Environmental Protection Agency promulgated thereunder (33 CFR 153.203 and 40 CFR 110.10, respectively).

(b) Upon receiving notice of an incident, the National Response Center shall immediately notify the Fund.

(c)(1) At the time of a spill of TAPS oil, the vessel Owner and Operator shall consult with each other and identify a single contact person to both the Fund Administrator and the National Response Center as the official who is responsible for coordinating with the Fund the resolution of claims from a spill of TAPS oil. The National Response Center shall provide the identity of the contact person to appropriate officials of the Coast Guard.

(2) The Fund shall establish procedures for coordination of the handling of claims with the contact person.

(d) Pursuant to its procedures, the Fund shall ascertain if the spill may result in damage claims in excess of \$14 million. If it concludes that that level may be reached, the Fund shall commence advertisement no later than 45 days from the date the Fund receives notice of the incident and shall continue advertising for a period of not less than thirty days.

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(e) The advertisement must appear in one or more local newspapers of general circulation and the Fund shall establish procedures governing the format and the information to be included in the advertisement of an incident. All advertisements must include:

- (1) The date and location of the incident;
- (2) The name of the Owner or Operator;
- (3) The name and address of the contact person or of the Fund Administrator to whom claims should be sent.

§ 29.9 Claims, settlement and adjudication.

(a)(1) Claims in accordance with this section may be submitted by any damaged party, his or her duly authorized agent, or his or her successor in interest.

(2) Claims submitted in accordance with this section must contain the following information:

(i) A detailed statement of the circumstances, if known, by which the claimed loss occurred.

(ii) A detailed listing of damages incurred, categorized according to the type of damage involved (§29.1(e)), and including a monetary claim for each type of damage listed.

(iii) Documentation of all monetary claims asserted.

(b) The contact person must provide copies of all claims filed with the vessel Owner or Operator to the Fund Administrator upon request of the Administrator. Once such claims are paid, the contact person shall notify the Fund and upon request of the Administrator supply any adjuster's reports.

(c) Prior to reaching \$14 million in claims filed, the contact person shall notify the Fund whether the vessel Owner or Operator will assume responsibility to pay damages over the \$14 million level.

(d)(1) In the event the vessel Owner or Operator refuses to pay claims over the \$14 million level, the Fund shall determine if the \$14 million in claims already filed meet the definition of damage as established by this section. The Fund shall pay the claims, or portion of claims, over \$14 million, which have been determined to meet that definition.

(2) The Fund shall establish uniform procedures and standards for the appraisal and settlement of claims against the Fund, including but not limited to procedures for appraising claims made to the vessel Owner or Operator to determine when \$14 million of claims meeting the definition of damages has been reached; procedures to determine whether claims over the \$14 million level which it receives meet the definition of damages; and procedures for determining when the services of a private insurance and claims adjuster shall be used.

(e) In the event the vessel Owner or Operator refuses payment of any claims up to \$14 million, the injured parties have recourse to the district court for the Federal district in which the spill occurred or the appropriate State court for the State in which the spill occurred. The Fund only becomes liable after \$14 million in claims meeting the definition of damages have been paid or have been acknowledged as payable by the vessel Owner or Operator.

(f) The Fund may settle or compromise any claim presented to it.

(g) No claim may be presented, nor any action be commenced, for damages recoverable under this part unless that claim is presented to or that action is commenced against the vessel Owner or Operator, or their guarantor, or against the Fund, as to their respective liabilities, within two years from the date of discovery of the damages caused by an incident, or of the date of the incident causing the damages, whichever is earlier.

(h)(1) The Board of Trustees, by a majority vote, shall decide to allow or deny claims or settlements presented to the Fund in accordance with this section. In its discretion the Board may delegate the authority to settle classes of claims to the Administrator.

(2)(i) Where a claim is presented to the Fund by or on behalf of any person having a close business, personal or governmental association with any member of the Board of Trustees, such as to create a conflict of interest or the appearance of such conflict of interest on the part of such member of the