

FINAL BILL REPORT

SB 5552

C 347 L 07

Synopsis as Enacted

Brief Description: Changing compensation and penalties for oil spills.

Sponsors: Senators Rockefeller, Spanel, Regala, Kohl-Welles, Kline and Oemig.

Senate Committee on Water, Energy & Telecommunications

House Committee on Agriculture & Natural Resources

Background: Persons discharging oil into state waters are potentially subject to penalties imposed by the state. For every violation and for each day a spill poses risks to the environment, as determined by the Department of Ecology (DOE), persons negligently discharging oil incur a penalty of up to \$20,000, and persons intentionally or recklessly discharging oil incur a penalty of up to \$100,000.

DOE determines penalty amounts after considering the gravity of the violation, previous compliance with the state Water Pollution Control Act, speed and thoroughness of oil collection and removal, and other considerations deemed appropriate. Other state agencies assessing penalties in other contexts—including the Utilities & Transportation Commission when it assesses a penalty against a gas pipeline company for violating pipeline safety regulations—may consider the size of a company in determining penalty amounts.

Persons discharging oil into state waters must potentially pay compensation for cleanup and damage costs. Compensation under an oil spill compensation schedule is limited to \$50 per gallon of oil spilled.

Damage assessment after oil spills is conducted by a resource damage assessment committee that may consist of representatives of DOE and the Departments of Fish and Wildlife, Natural Resources, Social and Health Services (DSHS), Archaeology and Historic Preservation, and the Emergency Management Division and Parks and Recreation Commission.

Summary: Oil spill penalty limits are increased to up to \$100,000 per day for a negligent discharge and up to \$500,000 per day for an intentional or reckless discharge. DOE must consider the size of the violator's business when assessing penalties, in addition to other currently specified factors.

The compensation limit in the oil spill compensation schedule is raised from \$50 to \$100 per gallon of oil spilled.

The definition of "oil" in provisions concerning oil spill prevention and response is changed to include biological oils and blends.

Suggested membership of the resource damage assessment committee is revised to delete the Emergency Management Division representative and change the DSHS representative to a

Department of Health representative. State authority to conduct resource damage assessments for oil spills occurring in non-navigable waters of the state is clarified.

Agency names are updated and outdated rulemaking language is deleted.

Votes on Final Passage:

Senate	40	8	
House	69	28	(House amended)
Senate	35	12	(Senate concurred)

Effective: July 22, 2007