

HOUSE BILL REPORT

HB 1144

As Reported By House Committee On:
Environmental Affairs
Appropriations

Title: An act relating to marine safety field operations.

Brief Description: Providing a funding mechanism for the office of marine safety's field operations.

Sponsors: Representatives Rust, Linville, Leonard, H. Myers, Campbell, Jacobsen, Valle, R. Fisher, Ogden, J. Kohl and Locke; by request of Office of Marine Safety.

Brief History:

Reported by House Committee on:
Environmental Affairs, February 24, 1993, DPS;
Appropriations, March 4, 1993, DPS(ENA).

HOUSE COMMITTEE ON ENVIRONMENTAL AFFAIRS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 10 members: Representatives Rust, Chair; Flemming, Vice Chair; Horn, Ranking Minority Member; Bray; Foreman; Hansen; Holm; L. Johnson; J. Kohl; and Linville.

Minority Report: Do not pass. Signed by 3 members: Representatives Van Luven, Assistant Ranking Minority Member; Edmondson; and Sheahan.

Staff: Harry Reinert (787-7110).

Background: In 1991, the Legislature enacted a measure to increase state involvement in activities to prevent oil spills in Washington state waters. The Legislature also created a new state agency, the Office of Marine Safety, to develop expertise in the state in matters relating to marine transportation safety. The Legislature directed owners of oil tank vessels and barges to prepare prevention plans describing efforts to reduce the likelihood of an oil spill. Owners of cargo and passenger vessels, as well as tankers and barges, were required in prior legislation to prepare spill response plans. The Legislature also directed the Office of Marine Safety to begin developing a mechanism to identify vessels that presented a risk to Washington state's

environment. In addition, the office was instructed to examine the United States Coast Guard's vessel inspection program and recommend to the Legislature any effort that should be undertaken to supplement that program.

The office, in conjunction with similar agencies in Oregon and California, completed a review of the Coast Guard vessel inspection program and published a report on December 1, 1992. The report concluded that there were a number of deficiencies in the Coast Guard inspection program. The report recommended that the states assist the Coast Guard in improving its program, but also that the states should establish, where appropriate, programs to supplement the Coast Guard's inspection program. The report recommended that these supplemental programs should focus on the identification of high-risk vessels, vessel operations, and the human factors resulting in spills.

The 1991 legislation also created the Marine Oversight Board to "provide independent oversight of the actions of the federal government, industry, the department [of Ecology], and other state agencies with respect to oil spill prevention and response...." The board is composed of five members appointed by the governor.

State agency costs for implementing oil spill prevention and response activities are paid for from a 3 cents per barrel tax on oil imported into the state. The tax is deposited in the oil spill administration account.

Summary of Substitute Bill: The Office of Marine Safety is directed to establish a field operations program. The program shall emphasize high risk vessels, bunkering and lightering operations, and data collection. The office is required to coordinate the program with the United States Coast Guard and, to the extent feasible, avoid duplication with the Coast Guard's inspection program. The office shall consult with the maritime industry, other governmental entities, and the public in establishing the program.

Beginning with the 1995-1997 biennium, the Legislature is directed to give priority consideration to prevention activities that are funded from the oil spill administration account.

The Marine Oversight Board shall review activities funded out of the oil spill administration account and establish priorities for funding with an emphasis on prevention activities. The Marine Oversight Board is also directed to develop recommendations for any additional fund sources that are necessary to fund the prevention and response activities required by state law. The board's report shall be

submitted to the governor and the appropriate standing committees of the Legislature not later than November 1, 1993.

Substitute Bill Compared to Original Bill: The original bill declared a legislative intent that the Office of Marine safety establish a field operations program. The program would be designed in cooperation with the maritime industry.

The original bill reallocated the two oil spill prevention and response taxes. The response tax was reduced to \$.016 per barrel and the administration tax was increased to \$.034 per barrel. The bill also establishes a new assessment on cargo and passenger vessels which moor or dock in Washington state waters. The amount of the assessment was to be established by the Office of Marine Safety by rule. The assessment would have been collected by the Washington State Maritime Commission, which already imposes an assessment on these vessels for its program.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill contains an emergency clause and takes effect July 1, 1993.

Testimony For: (Substitute Bill) Prevention of oil spills is the most important means of protecting the state's natural resources. The proposed field operations program will supplement efforts of the Coast Guard by focusing on vessel screening and monitoring and public education.

Testimony Against: None presented.

Witnesses: Bob Bohlman, Puget Sound Steamship Operators Association (pro, substitute bill); Jeff Shaw, ARCO Marine (pro, substitute bill); Bruce Wishart, Sierra Club (pro, substitute bill); Darlene Madenwald, Washington Environmental Council (pro, substitute bill); Jeff Parsons, National Audubon Society (pro, substitute bill); and Vern Lindskog (Western States Petroleum Association (with amendments, substitute bill)).

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill by Committee on Environmental Affairs be substituted therefor and the substitute bill do pass. Signed by 25 members: Representatives Locke, Chair; Valle, Vice Chair; Silver, Ranking Minority Member; Carlson, Assistant Ranking Minority Member; Appelwick; Ballasiotes; Basich; Cooke; Dellwo; Dunshee; G. Fisher; Jacobsen; Lemmon; Linville; Morton;

Peery; Rust; Sehlin; Sheahan; Sommers; Stevens; Talcott; Wang; Wineberry; and Wolfe.

Staff: Nancy Stevenson (786-7137).

Summary of Recommendation of Committee on Appropriations Compared to Recommendation of Committee on Environmental Affairs: No new changes were recommended.

Fiscal Note: Requested on substitute bill on February 26, 1993.

Effective Date: The bill contains an emergency clause and takes effect July 1, 1993.

Testimony For: The bill provides the tools needed to prevent oil spills. More money should be spent on field operations and spill prevention measures. Programs need to be supported with the level of funds available from the 3 cents per barrel tax on oil. New funds may be needed in the future.

Testimony Against: None.

Witnesses: Randy Ray, Puget Sound Steamship Operators Association (pro); Barbara Hermann, Director of Office of Marine Safety (pro); Vern Linskog, Western States Petroleum Association (pro); Jeff Parsons, National Audubon Society (pro); and Bruce Wishart, Sierra Club (pro).