

**SENATE BILL REPORT**

**SB 6461**

**AS REPORTED BY COMMITTEE ON ECOLOGY & PARKS, FEBRUARY 4, 1994**

**Brief Description:** Concerning claims for oil spill liability damages.

**SPONSORS:** Senators Fraser and Bluechel

**SENATE COMMITTEE ON ECOLOGY & PARKS**

**Majority Report:** That Substitute Senate Bill No. 6461 be substituted therefor, and the substitute bill do pass.

Signed by Senators Fraser, Chairman; Deccio, Morton, Sutherland and Talmadge.

**Staff:** Gary Wilburn (786-7453)

**Hearing Dates:** February 2, 1994; February 4, 1994

**BACKGROUND:**

In 1990 the Washington State Maritime Commission was created to establish an oil spill "first response" system that would provide a pay for the first 24 hours of response following an oil spill. The commission is composed of nine Governor-appointed members, of which seven represent various specified maritime industry segments. In addition, there are four additional ex-officio members.

To establish the system, the commission was empowered to enter contracts with cleanup contractors. To pay for the system it was authorized to assess vessels transiting state waters, and to recovery costs of cleanup response from the responsible vessel owners. The assessments levied by the commission must be deposited to a reserve fund, and the assessments levied until the fund reaches \$1.5 million. When the fund declines to \$1 million, the assessments are reinstated.

The obligations of the commission and any liabilities or claims against it may be enforced only against the assets of the commission, and may not be asserted against the state of Washington, or any member or employee of the commission in his or her individual capacity.

**SUMMARY:**

The protection of individuals from claims asserted against the commission is amended to include incident commanders.

The commission is directed to establish a reserve fund level of \$400,000, and existing law provisions regarding the "cap" on the assessment at \$1.5 million and reinstating the assessment at \$1 million are deleted.

The commission may include an indemnification provision in its contracts regarding losses arising from performance of the contractor or resulting from the fault of the commission. The indemnification shall be limited to the assets of the commission.

**EFFECT OF PROPOSED SUBSTITUTE:**

A provision in the original bill is deleted relating to the commission's reserve fund level. The Attorney General shall serve as the legal adviser to the commission.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** requested January 24, 1994

**TESTIMONY FOR:**

This legislation will provide sufficient indemnification authority and immunity for incident commander actions to ensure the commission may continue its contract with Clean Sound Cooperative for oil spill response.

**TESTIMONY AGAINST:** None

**TESTIFIED:** Randy Ray, PSSOA/MEC (pro); Rick Wickman, PSOA (pro);  
Linda Hull, Clean Sound Cooperative