
SENATE BILL 5103

State of Washington

58th Legislature

2003 Regular Session

By Senators Fairley, Morton and Fraser

Read first time 01/15/2003. Referred to Committee on Natural Resources, Energy & Water.

1 AN ACT Relating to the financial responsibility of onshore and
2 offshore facilities; amending RCW 88.40.025; and creating a new
3 section.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 88.40.025 and 1991 c 200 s 704 are each amended to
6 read as follows:

7 (1) An onshore or offshore facility shall demonstrate financial
8 responsibility in an amount determined by the department, and
9 established in rule by January 1, 2006, as necessary to compensate the
10 state and affected counties and cities for damages that might occur
11 during a reasonable worst case spill of oil from that facility into the
12 navigable waters of the state and for civil penalties and fines
13 imposed. The department shall consider such matters as: (a) The
14 amount of oil that could be spilled into the navigable waters from the
15 facility((τ)); (b) the cost of cleaning up the spilled oil((τ)); (c)
16 the frequency of operations at the facility((τ)); (d) the amount of
17 civil penalties and fines that could be imposed; (e) the damages that
18 could result from the spill; and (f) the commercial availability and

1 affordability of financial responsibility for both large and small
2 facilities.

3 (2) This section shall not apply to an onshore or offshore facility
4 owned or operated by the federal government or by the state or local
5 government.

6 NEW SECTION. **Sec. 2.** To assist the department of ecology in
7 determining the proper levels of financial responsibility for onshore
8 and offshore facilities, as required under RCW 88.40.025, the
9 department shall contract for an independent economic analysis
10 regarding adequate levels of financial responsibility. The analysis
11 shall include consideration of the matters identified in RCW 88.40.025.
12 The analysis must be completed and delivered to the legislature and
13 governor by September 1, 2004.

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