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SUBSTITUTE SENATE BILL 5432

State of Washington 59th Legislature 2005 Regular Session

By Senate Committee on Water, Energy & Environment (originally sponsored by Senators Spanel, Swecker, Poulsen, Doumit, Regala, Rockefeller, Pridemore, Haugen, Kohl-Welles, Fraser, Jacobsen, Shin and Kline)

READ FIRST TIME 02/24/05.

- AN ACT Relating to the citizens' oil spill advisory council;
- 2 amending RCW 90.56.005, 90.56.010, and 90.56.060; and adding new
- 3 sections to chapter 90.56 RCW.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 90.56.005 and 2004 c 226 s 2 are each amended to read 6 as follows:
- 6 as follows:
 7 (1) The legislature declares that ((the increasing reliance on))
- 8 water borne transportation as a source of supply for oil and hazardous
- 9 substances poses special concern for the state of Washington. Each
- 10 year billions of gallons of crude oil and refined petroleum products
- 11 are transported <u>as cargo and fuel</u> by vessel on the navigable waters of
- 12 the state. These shipments are expected to increase in the coming
- 13 years. Vessels transporting oil into Washington travel on some of the
- 14 most ((unique)) valuable and special marine environments in the United
- 15 States. These marine environments are a source of natural beauty, 16 recreation, and economic livelihood for many residents of this state.
- 17 As a result, the state has an obligation to ensure the citizens of the
- 18 state that the waters of the state will be protected from oil spills.

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- (2) The legislature finds that prevention is the best method to protect the ((unique)) valuable and special marine environments in this state. The technology for containing and cleaning up a spill of oil or hazardous substances is ((in the early stages of development)) at best only partially effective. Preventing spills is more protective of the environment and more cost-effective when all the response and damage costs associated with responding to a spill are considered. Therefore, the legislature finds that the primary objective of the state is to ((adopt)) achieve a zero spills strategy to prevent any oil or hazardous substances from entering waters of the state.
 - (3) The legislature also finds that:

- (a) Recent accidents in Washington, Alaska, southern California, Texas, <u>Pennsylvania</u>, and other parts of the nation have shown that the transportation, transfer, and storage of oil have caused significant damage to the marine environment;
- (b) Even with the best efforts, it is nearly impossible to remove all oil that is spilled into the water, and average removal rates are only fourteen percent;
- (c) Washington's navigable waters are treasured environmental and economic resources that the state cannot afford to place at undue risk from an oil spill; ((and))
- (d) The state has a fundamental responsibility, as the trustee of the state's natural resources and the protector of public health and the environment to prevent the spill of oil; and
- (e) In section 5002 of the federal oil pollution act of 1990, the United States congress found that many people believed that complacency on the part of industry and government was one of the contributing factors to the Exxon Valdez spill and, further, that one method to combat this complacency is to involve local citizens in the monitoring and oversight of oil spill plans. Moreover, congress concluded that, in addition to Alaska, a program of citizen monitoring and oversight should be established in other major crude oil terminals in the United States because recent oil spills indicate that the safe transportation of oil is a national problem.
- 35 (4) In order to establish a comprehensive prevention and response 36 program to protect Washington's waters and natural resources from 37 spills of oil, it is the purpose of this chapter:

1 (a) To establish state agency expertise in marine safety and to 2 centralize state activities in spill prevention and response 3 activities;

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- (b) To prevent spills of oil and to promote programs that reduce the risk of both catastrophic and small chronic spills;
- (c) To ensure that responsible parties are liable, and have the resources and ability, to respond to spills and provide compensation for all costs and damages;
- 9 (d) To provide for state spill response and wildlife rescue 10 planning and implementation;
- (e) To support and complement the federal oil pollution act of 1990 and other federal law, especially those provisions relating to the national contingency plan for cleanup of oil spills and discharges, including provisions relating to the responsibilities of state agencies designated as natural resource trustees. The legislature intends this chapter to be interpreted and implemented in a manner consistent with federal law;
- 18 (f) To provide broad powers of regulation to the department of 19 ecology relating to spill prevention and response;
 - (g) To provide for an independent ((oversight board)) citizens' advisory council, consistent with federal law, to review on an ongoing basis the adequacy of oil spill prevention and response activities in this state; and
- 24 (h) To provide an adequate funding source for state response and 25 prevention programs.
- 26 **Sec. 2.** RCW 90.56.010 and 2000 c 69 s 15 are each amended to read 27 as follows:

For purposes of this chapter, the following definitions shall apply unless the context indicates otherwise:

(1) "Best achievable protection" means the highest level of protection that can be achieved through the use of the best achievable technology and those staffing levels, training procedures, and operational methods that provide the greatest degree of protection achievable. The director's determination of best achievable protection shall be guided by the critical need to protect the state's natural resources and waters, while considering (a) the additional protection

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provided by the measures; (b) the technological achievability of the measures; and (c) the cost of the measures.

- (2) "Best achievable technology" means the technology that provides the greatest degree of protection taking into consideration (a) processes that are being developed, or could feasibly be developed, given overall reasonable expenditures on research and development, and (b) processes that are currently in use. In determining what is best achievable technology, the director shall consider the effectiveness, engineering feasibility, and commercial availability of the technology.
 - (3) "Board" means the pollution control hearings board.
- (4) "Cargo vessel" means a self-propelled ship in commerce, other than a tank vessel or a passenger vessel, three hundred or more gross tons, including but not limited to, commercial fish processing vessels and freighters.
- (5) "Bulk" means material that is stored or transported in a loose, unpackaged liquid, powder, or granular form capable of being conveyed by a pipe, bucket, chute, or belt system.
 - (6) "Committee" means the preassessment screening committee established under RCW 90.48.368.
- 20 (7) "Council" means the citizens' oil spill advisory council created in section 3 of this act.
- 22 <u>(8)</u> "Covered vessel" means a tank vessel, cargo vessel, or 23 passenger vessel.
 - $((\frac{8}{1}))$ <u>(9)</u> "Department" means the department of ecology.
 - $((\frac{9}{}))$ <u>(10)</u> "Director" means the director of the department of ecology.
- $((\frac{10}{10}))$ <u>(11)</u> "Discharge" means any spilling, leaking, pumping, 28 pouring, emitting, emptying, or dumping.
 - (((11))) (12)(a) "Facility" means any structure, group of structures, equipment, pipeline, or device, other than a vessel, located on or near the navigable waters of the state that transfers oil in bulk to or from a tank vessel or pipeline, that is used for producing, storing, handling, transferring, processing, or transporting oil in bulk.
- 35 (b) A facility does not include any: (i) Railroad car, motor 36 vehicle, or other rolling stock while transporting oil over the 37 highways or rail lines of this state; (ii) underground storage tank 38 regulated by the department or a local government under chapter 90.76

- 1 RCW; (iii) motor vehicle motor fuel outlet; (iv) facility that is 2 operated as part of an exempt agricultural activity as provided in RCW 3 82.04.330; or (v) marine fuel outlet that does not dispense more than 4 three thousand gallons of fuel to a ship that is not a covered vessel, 5 in a single transaction.
 - $((\frac{(12)}{(13)}))$ "Fund" means the state coastal protection fund as provided in RCW 90.48.390 and 90.48.400.

- $((\frac{(13)}{(13)}))$ (14) "Having control over oil" shall include but not be limited to any person using, storing, or transporting oil immediately prior to entry of such oil into the waters of the state, and shall specifically include carriers and bailees of such oil.
- $((\frac{14}{1}))$ (15) "Marine facility" means any facility used for tank vessel wharfage or anchorage, including any equipment used for the purpose of handling or transferring oil in bulk to or from a tank vessel.
- ((\(\frac{(15)}{)}\)) (16) "Marine waters" means the area within the state boundaries that includes Hood Canal, Puget Sound, the Strait of Juan de Fuca, the Pacific Ocean, and the Columbia river estuary.
 - (17) "Navigable waters of the state" means those waters of the state, and their adjoining shorelines, that are subject to the ebb and flow of the tide and/or are presently used, have been used in the past, or may be susceptible for use to transport intrastate, interstate, or foreign commerce.
 - (((16))) (18) "Necessary expenses" means the expenses incurred by the department and assisting state agencies for (a) investigating the source of the discharge; (b) investigating the extent of the environmental damage caused by the discharge; (c) conducting actions necessary to clean up the discharge; (d) conducting predamage and damage assessment studies; and (e) enforcing the provisions of this chapter and collecting for damages caused by a discharge.
 - $((\frac{17}{17}))$ (19) "Oil" or "oils" means naturally occurring liquid hydrocarbons at atmospheric temperature and pressure coming from the earth, including condensate and natural gasoline, and any fractionation thereof, including, but not limited to, crude oil, petroleum, gasoline, fuel oil, diesel oil, oil sludge, oil refuse, and oil mixed with wastes other than dredged spoil. Oil does not include any substance listed in Table 302.4 of 40 C.F.R. Part 302 adopted August 14, 1989, under

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section 101(14) of the federal comprehensive environmental response, compensation, and liability act of 1980, as amended by P.L. 99-499.

- $((\frac{18}{18}))$ (20) "Offshore facility" means any facility located in, on, or under any of the navigable waters of the state, but does not include a facility any part of which is located in, on, or under any land of the state, other than submerged land.
- (((19))) (21) "Onshore facility" means any facility any part of which is located in, on, or under any land of the state, other than submerged land, that because of its location, could reasonably be expected to cause substantial harm to the environment by discharging oil into or on the navigable waters of the state or the adjoining shorelines.
- ((\(\frac{(20)}{20}\))) (22)(a) "Owner or operator" means (i) in the case of a vessel, any person owning, operating, or chartering by demise, the vessel; (ii) in the case of an onshore or offshore facility, any person owning or operating the facility; and (iii) in the case of an abandoned vessel or onshore or offshore facility, the person who owned or operated the vessel or facility immediately before its abandonment.
- (b) "Operator" does not include any person who owns the land underlying a facility if the person is not involved in the operations of the facility.
 - $((\frac{(21)}{)})$ <u>(23)</u> "Passenger vessel" means a ship of three hundred or more gross tons with a fuel capacity of at least six thousand gallons carrying passengers for compensation.
 - $((\frac{(22)}{)})$ <u>(24)</u> "Person" means any political subdivision, government agency, municipality, industry, public or private corporation, copartnership, association, firm, individual, or any other entity whatsoever.
- $((\frac{(23)}{)})$ "Ship" means any boat, ship, vessel, barge, or other 30 floating craft of any kind.
- $((\frac{(24)}{)})$ (26) "Spill" means an unauthorized discharge of oil or 32 hazardous substances into the waters of the state.
- $((\frac{(25)}{)})$ (27) "Tank vessel" means a ship that is constructed or adapted to carry, or that carries, oil in bulk as cargo or cargo residue, and that:
 - (a) Operates on the waters of the state; or
- 37 (b) Transfers oil in a port or place subject to the jurisdiction of this state.

- ((\(\frac{26}{26}\))) (28) "Waters of the state" includes lakes, rivers, ponds, streams, inland waters, underground water, salt waters, estuaries, tidal flats, beaches and lands adjoining the seacoast of the state, sewers, and all other surface waters and watercourses within the jurisdiction of the state of Washington.
- $((\frac{(27)}{)})$ (29) "Worst case spill" means: (a) In the case of a vessel, a spill of the entire cargo and fuel of the vessel complicated by adverse weather conditions; and (b) in the case of an onshore or offshore facility, the largest foreseeable spill in adverse weather conditions.
- NEW SECTION. Sec. 3. A new section is added to chapter 90.56 RCW to read as follows:
 - (1) There is established in the office of the governor the citizens' oil spill advisory council. The primary purpose of the council is to maintain the state's vigilance in the prevention of oil spills on marine waters, while recognizing the importance of also improving preparedness and response. The council is an advisory body only and is not authorized to perform advocacy functions.
- 19 (2) The council is composed of eleven members appointed by the 20 governor as provided in this subsection.
- 21 The governor shall select one member each to represent the 22 following interests:
 - (a) Counties;
 - (b) Cities;

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- 25 (c) Public ports;
- 26 (d) Shellfish growers;
- 27 (e) Indian tribes;
- 28 (f) Commercial fishing;
- 29 (g) Recreational fishing;
- 30 (h) Tourism;
 - (i) Environmental;
- 32 (j) Labor; and
- 33 (k) An individual who resides on a shoreline who has an interest, 34 experience, and familiarity in the protection of water quality.
- 35 (3) Appointments to the council shall reflect a geographical 36 balance and the diversity of populations within the areas potentially 37 affected by oil spills to state waters.

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- (4) Members shall serve four-year terms, except that of the initial members appointed to the council, three shall serve two-year terms, three shall serve three-year terms, and five members shall serve four-year terms. Vacancies shall be filled by appointment in the same manner as the original appointment for the remainder of the unexpired term of the position vacated.
 - (5) The council shall elect a chair from among its members in odd-numbered years to serve for two years as chair. The chair shall convene the council at least four times per year. At least one meeting per year shall be held in a Columbia river community, an ocean coastal community, and a Puget Sound community.
- 12 (6) Members shall not be compensated, but shall be reimbursed for 13 travel expenses as provided in RCW 43.03.050 and 43.03.060.
- NEW SECTION. Sec. 4. A new section is added to chapter 90.56 RCW to read as follows:
 - (1) The duties of the council include:

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- (a) Selection and hiring of professional staff and expert consultants to support the work of the council;
- (b) Early consultation with government decision makers in relation to the state's oil spill prevention, preparedness, and response programs, analyses, rule making, and related oil spill activities;
- (c) Providing independent advice, expertise, research, monitoring, assessment, and oversight for review of and necessary improvements to the state's oil spill prevention, preparedness, and response programs, analyses, rule making, and other decisions, including those of the Northwest area committee, as well as the adequacy of funding for these programs;
- (d) Monitoring and providing information to the public as well as state and federal agencies regarding state of the art oil spill prevention, preparedness, and response programs;
- 31 (e) Actively seeking public comments on and proposals for specific 32 measures to improve the state's oil spill prevention, preparedness, and 33 response program, including measures to improve the effectiveness of 34 the Northwest area committee;
- 35 (f) Creating additional committees of the council as necessary to 36 carry out the functions in this subsection (1), including scientific 37 and technical committees;

(g) Promoting opportunities for the public to become involved in oil spill response activities and provide assistance to community groups with an interest in oil spill prevention and response;

- (h) Promoting dialog with the oil spill prevention and response agencies in the state of Oregon and the Province of British Columbia to achieve consistent protection from oil spills to adjoining marine waters;
- (i) Accepting moneys from appropriations, gifts, grants, or donations for the purposes of this section;
- 10 (j) Preparing reports to embody the council's analyses and 11 recommendations; and
- 12 (k) Any other activities necessary to maintain the state's vigilance in preventing oil spills.
- 14 (2) The council is not intended to address issues related to spills involving hazardous substances.
 - (3) By September 1st of each year, the council shall make recommendations for the continuing improvement of the state's oil spill prevention, preparedness, and response through a report to the governor and the appropriate committees of the senate and house of representatives.
 - (4) The director shall prepare a response to the annual report within ninety days of its submittal to the governor and the legislature, including a description of recommended improvements the department will adopt and the reasons established for rejecting the adoption of or for significantly modifying any recommended improvement.
- **Sec. 5.** RCW 90.56.060 and 2004 c 226 s 4 are each amended to read 27 as follows:
 - (1) The department shall prepare and annually update a statewide master oil and hazardous substance spill prevention and contingency plan. In preparing the plan, the department shall consult with an advisory committee representing diverse interests concerned with oil and hazardous substance spills, including the United States coast guard, the federal environmental protection agency, state agencies, local governments, port districts, private facilities, environmental organizations, oil companies, shipping companies, containment and cleanup contractors, tow companies, ((and)) hazardous substance manufacturers, and the citizens' oil spill advisory council.

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1 (2) The state master plan prepared under this section shall at a minimum:

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- (a) Take into consideration the elements of oil spill prevention and contingency plans approved or submitted for approval pursuant to this chapter and chapter 88.46 RCW and oil and hazardous substance spill contingency plans prepared pursuant to other state or federal law or prepared by federal agencies and regional entities;
- (b) State the respective responsibilities as established by relevant statutes and rules of each of the following in the prevention of and the assessment, containment, and cleanup of a worst case spill of oil or hazardous substances into the environment of the state: (i) State agencies; (ii) local governments; (iii) appropriate federal agencies; (iv) facility operators; (v) property owners whose land or other property may be affected by the oil or hazardous substance spill; and (vi) other parties identified by the department as having an interest in or the resources to assist in the containment and cleanup of an oil or hazardous substance spill;
- 18 (c) State the respective responsibilities of the parties identified 19 in (b) of this subsection in an emergency response;
 - (d) Identify actions necessary to reduce the likelihood of spills of oil and hazardous substances;
- (e) Identify and obtain mapping of environmentally sensitive areas at particular risk to oil and hazardous substance spills;
 - (f) Establish an incident command system for responding to oil and hazardous substances spills; and
 - (g) Establish a process for immediately notifying affected tribes of any oil spill.
- 28 (3) In preparing and updating the state master plan, the department 29 shall:
 - (a) Consult with federal, provincial, municipal, and community officials, other state agencies, the state of Oregon, and with representatives of affected regional organizations;
 - (b) Submit the draft plan to the public for review and comment;
 - (c) Submit to the appropriate standing committees of the legislature for review, not later than November 1st of each year, the plan and any annual revision of the plan; and
- 37 (d) Require or schedule unannounced oil spill drills as required by

1 RCW 90.56.260 to test the sufficiency of oil spill contingency plans 2 approved under RCW 90.56.210.

NEW SECTION. **Sec. 6.** A new section is added to chapter 90.56 RCW to read as follows:

The citizens' oil spill advisory council account is created in the custody of the state treasurer. All receipts from appropriations or gifts, grants, or donations from public or private sources shall be deposited into the fund. Expenditures from the fund may be used only for the purposes of section 4 of this act. Only the citizens' oil spill advisory council may authorize expenditures from the fund. The fund is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures.

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