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SENATE BILL 5439

State of Washington 62nd Legislature 2011 Regular Session

By Senators Ranker, Rockefeller, Nelson, Regala, Hargrove, Hobbs, Fraser, White, Conway, and Kline

Read first time 01/25/11. Referred to Committee on Natural Resources & Marine Waters.

- AN ACT Relating to oil spills; amending RCW 88.46.060, 88.46.100,
- 2 88.46.090, 90.48.366, and 90.56.370; reenacting and amending RCW
- 3 88.46.010; adding new sections to chapter 88.46 RCW; creating new
- 4 sections; and prescribing penalties.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- (1) The legislature finds that the 6 NEW SECTION. Sec. 1. 7 "deepwater horizon" wellhead blowout, explosion, and oil spill in the 8 Gulf of Mexico on May 24, 2010, resulted in the release of two hundred 9 million gallons of crude oil into the environment. Impacts after the spill have included deaths and injuries, extensive damage to the marine 10 environment and wildlife habitats, as well as large socioeconomic 11 damages to local citizens, commercial fishing, tourism, businesses, and 12 13 recreation. As late as six months after the spill, four thousand two 14 hundred square miles of the Gulf of Mexico were closed to commercial shrimp harvest. The incident in the Gulf of Mexico is a reminder that 15 16 the threat of major spills to Washington's environment, natural 17 resources, economy, quality of life, and private property is 18 significant.

p. 1 SB 5439

- (2) The legislature further finds that during the fall of 2010 the department of ecology compiled lessons learned from the Gulf of Mexico spill and the Puget Sound partnership convened an oil spill work group in an effort to ensure there is a rapid and aggressive response to a large scale spill in Washington and that oversight of spills is well coordinated among different levels of government. These efforts, and other recent studies, have made clear that the state may be underprepared for a large scale oil spill of the magnitude possible by failures of an oil tanker or a tank barge, particularly within the confined waters of Puget Sound.
 - (3) The legislature further finds that a large scale oil spill from an oil tanker or barge could result in the loss of an estimated one hundred sixty-five thousand jobs and result in ten billion eight hundred million dollars in economic impacts. Such a spill could devastate multiple industries in the state, including commercial fishing, tourism, the shellfish industry, and recreation.
 - (4) The legislature therefore finds that:

- (a) Washington's oil spill prevention, preparedness, response, and restoration laws should be enhanced to more effectively protect Washington waters from the potentially calamitous consequences of oil spills; and
- 22 (b) Those responsible for oil spills should provide just 23 compensation to property owners and other persons suffering losses 24 caused by oil spills.
- **Sec. 2.** RCW 88.46.010 and 2009 c 11 s 7 are each reenacted and 26 amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires 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 provided by the measures;
 - (b) The technological achievability of the measures; and

1 (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) "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.
- (4) "Cargo vessel" means a self-propelled ship in commerce, other than a tank vessel or a passenger vessel, of three hundred or more gross tons, including but not limited to, commercial fish processing vessels and freighters.
- (5) "Covered vessel" means a tank vessel, cargo vessel, or passenger vessel.
 - (6) "Department" means the department of ecology.
 - (7) "Director" means the director of the department of ecology.
- 22 (8) "Discharge" means any spilling, leaking, pumping, pouring, 23 emitting, emptying, or dumping.
 - (9)(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.
 - (b) A facility does not include any: (i) Railroad car, motor vehicle, or other rolling stock while transporting oil over the highways or rail lines of this state; (ii) retail motor vehicle motor fuel outlet; (iii) facility that is operated as part of an exempt agricultural activity as provided in RCW 82.04.330; (iv) underground storage tank regulated by the department or a local government under chapter 90.76 RCW; or (v) marine fuel outlet that does not dispense more than three thousand gallons of fuel to a ship that is not a covered vessel, in a single transaction.

p. 3 SB 5439

(10) "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.

- (11) "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.
- (12) "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. "Offshore facility" does not include a marine facility.
- (13) "Oil" or "oils" means oil of any kind that is liquid at atmospheric temperature and any fractionation thereof, including, but not limited to, crude oil, petroleum, gasoline, fuel oil, diesel oil, biological oils and blends, 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 section 101(14) of the federal comprehensive environmental response, compensation, and liability act of 1980, as amended by P.L. 99-499.
- (14) "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.
- (15)(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.
 - (16) "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.

- 3 (17) "Person" means any political subdivision, government agency, 4 municipality, industry, public or private corporation, copartnership, 5 association, firm, individual, or any other entity whatsoever.
- 6 (18) "Race Rocks light" means the nautical landmark located 7 southwest of the city of Victoria, British Columbia.
- 8 (19) "Severe weather conditions" means observed nautical conditions 9 with sustained winds measured at forty knots and wave heights measured 10 between twelve and eighteen feet.
- 11 (20) "Ship" means any boat, ship, vessel, barge, or other floating 12 craft of any kind.
- 13 (21) "Spill" means an unauthorized discharge of oil into the waters 14 of the state.
- 15 (22) "Strait of Juan de Fuca" means waters off the northern coast 16 of the Olympic Peninsula seaward of a line drawn from New Dungeness 17 light in Clallam county to Discovery Island light on Vancouver Island, 18 British Columbia, Canada.
- 19 (23) "Tank vessel" means a ship that is constructed or adapted to 20 carry, or that carries, oil in bulk as cargo or cargo residue, and 21 that:
 - (a) Operates on the waters of the state; or
- 23 (b) Transfers oil in a port or place subject to the jurisdiction of this state.
 - (24) "Vessel emergency" means a substantial threat of pollution originating from a covered vessel, including loss or serious degradation of propulsion, steering, means of navigation, primary electrical generating capability, and seakeeping capability.
 - (25) "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.
 - (26) "Worst case spill" means:

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- 35 (a) In the case of a vessel, a spill of the entire cargo and fuel 36 of the vessel complicated by adverse weather conditions; and
- 37 (b) $\underline{I}n$ the case of an onshore or offshore facility, the largest 38 foreseeable spill in adverse weather conditions.

p. 5 SB 5439

(27) "Vessels of opportunity system" means an oil spill response system that, before a spill occurs, prepares for the utilization of commercial fishing vessels and other nondedicated commercial vessels that are under contract with plan holders to train for spill response incidents, be adequately equipped to respond to a spill, and to assist in spill response.

- (28) "Volunteer coordination system" means an oil spill response system that, before a spill occurs, prepares for the utilization of local emergency management centers or organizations to implement a system that ensures the efficient and trained use of volunteers to assist with shoreline protection, wildlife recovery, and other aspects of a spill response.
- NEW SECTION. Sec. 3. A new section is added to chapter 88.46 RCW to read as follows:
 - (1) By July 1, 2012, the owner or operator of a tank vessel transiting to or from a Washington port shall establish and fund a vessels of opportunity system to supplement the timely and effective response to spills. The vessels of opportunity system must include the maintenance of active contracts with a fleet of eligible vessels that ensures the following:
- 21 (a) At least six vessels and crew equipped with best available 22 technology for booming, storage, and recovery of oil are included in 23 the system;
 - (b) The equipment to be utilized is appropriate for the expected operating environment, including boom and skimming equipment capable of operating in currents of at least four knots and waves of at least nine feet;
- 28 (c) The vessels are equipped with adequate personal protection 29 gear; and
 - (d) A minimum of four exercises a year are planned and executed to ensure that the vessels of opportunity system is maintained at an appropriate level of readiness.
 - (2) In addition to meeting requirements specified in this chapter, contingency plans for tank vessels operating in Washington waters must provide for the organization, contracting, and use of a vessels of opportunity system as required by this section. All contingency plans

for tank vessels approved by the department prior to the effective date of this section must be updated by July 1, 2012, to meet the requirements of this section.

- (3) The requirements of this section may be fulfilled by one or more private organizations or nonprofit corporations providing umbrella coverage under contract to single or multiple tank vessels. Any organization or corporation providing umbrella coverage to satisfy the requirements of this section must ensure that the vessels of opportunity system being provided includes the establishment of a minimum of six distinct regional vessels of opportunity response groups, as is consistent with the planning standards adopted by the department, that individually satisfy the requirements of a vessels of opportunity system as provided in this section and that are located strategically to ensure a timely response in any of Washington's marine waters or the Columbia river.
- (4) In reviewing and approving contingency plans, the department may determine the adequacy of the vessels of opportunity system through practice drills that test compliance with this section and award credit accordingly. Each successful activation of the vessels of opportunity system may be considered by the department to satisfy a drill covering this portion of the contingency plan.

NEW SECTION. Sec. 4. A new section is added to chapter 88.46 RCW to read as follows:

- (1) By July 1, 2012, the owner or operator of a tank vessel transiting to or from a Washington port shall establish and fund a volunteer coordination system to supplement the timely and effective response to spills.
- (2) In addition to meeting requirements specified in this chapter, contingency plans for tank vessels operating in Washington waters must provide for the organization, contracting, and use of a volunteer coordination system as required by this section. All contingency plans for tank vessels approved by the department prior to the effective date of this section must be updated by July 1, 2012, to meet the requirements of this section.
- (3) The requirements of this section may be fulfilled by one or more private organizations or nonprofit corporations providing umbrella coverage under contract to single or multiple tank vessels.

p. 7 SB 5439

(4) An act or omission by any volunteer participating in a spill response or training as part of a volunteer coordination system, while engaged in such activities, does not impose any liability on the department, the associated local emergency management center or organization, or the volunteer for civil damages resulting from the act or omission. However, the immunity provided under this subsection does not apply to an act or omission that constitutes gross negligence or willful or wanton misconduct.

- (5) In reviewing and approving contingency plans, the department may determine the adequacy of the volunteer coordination system through practice drills that test compliance with this section and award credit accordingly. Each successful activation of the volunteer coordination system may be considered by the department to satisfy a drill covering this portion of the contingency plan.
- NEW SECTION. Sec. 5. A new section is added to chapter 88.46 RCW to read as follows:
 - (1) In addition to meeting the requirements specified in this chapter applicable to all covered vessels, contingency plans for tank vessels must provide for:
 - (a) Rapid access to equipment located within the state that reflects the best available protection; and
 - (b) Continuous operation of oil spill response activities without regard to operating environment to the maximum extent practicable and without unreasonably jeopardizing crew safety.
 - (2) In reviewing tank vessel contingency plans to measure compliance with this section, the department shall ensure that, at a minimum, plans are designed to:
 - (a) Achieve oil recovery, to the maximum extent practicable and without unreasonably jeopardizing crew safety, in areas that routinely experience high currents up to four knots and waves up to nine feet;
 - (b) Provide rapid access to technologies that enhance the ability of responders to detect and respond to spills in times of low visibility and at night, including technology that is capable of aerial oil identification and location mapping; and
- 35 (c) Provide adequate capacity for storage or proper disposal of the 36 volume and type of oil considered by the contingency plan so as to

1 achieve continuous operation of oil recovery to the maximum extent 2 practicable.

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- (3) All contingency plans for tank vessels approved by the department prior to the effective date of this section must be updated by July 1, 2012, to include the requirements of this section and must fully document the state of the available response equipment and compliance with the best available protection standard.
- 8 <u>NEW SECTION.</u> **Sec. 6.** A new section is added to chapter 88.46 RCW 9 to read as follows:
- 10 (1) In addition to the authority to order drills otherwise provided 11 in this chapter, the department is responsible for ordering additional 12 large-scale, multiple plan equipment deployment drills of tank vessels 13 to determine the adequacy of the owner's or operator's compliance with 14 the contingency plan requirements of this chapter. The department must 15 order at least one drill as outlined in this section annually.
- 16 (2) The additional tank vessel equipment deployment drills must 17 focus on, at a minimum, the following:
- 18 (a) The functional ability for multiple contingency plans to be 19 simultaneously effectively activated;
- 20 (b) The actual probability of response equipment being available 21 for use in the case of simultaneous spills;
- (c) The operational readiness during the first six hours of a spill and longer into the days and weeks following a large spill.
- 24 Sec. 7. RCW 88.46.060 and 2005 c 78 s 2 are each amended to read 25 as follows:
 - (1) Each covered vessel shall have a contingency plan for the containment and cleanup of oil spills from the covered vessel into the waters of the state and for the protection of fisheries and wildlife, shellfish beds, natural resources, and public and private property from such spills. The department shall by rule adopt and periodically revise standards for the preparation of contingency plans. The department shall require contingency plans, at a minimum, to meet the following standards:
- 34 (a) Include full details of the method of response to spills of various sizes from any vessel which is covered by the plan;

p. 9 SB 5439

(b) Be designed to be capable in terms of personnel, materials, and equipment, of promptly and properly, to the maximum extent practicable, as defined by the department, removing oil and minimizing any damage to the environment resulting from a worst case spill;

- (c) Provide a clear, precise, and detailed description of how the plan relates to and is integrated into relevant contingency plans which have been prepared by cooperatives, ports, regional entities, the state, and the federal government;
- (d) Provide procedures for early detection of spills and timely notification of such spills to appropriate federal, state, and local authorities under applicable state and federal law;
- (e) State the number, training preparedness, and fitness of all dedicated, prepositioned personnel assigned to direct and implement the plan;
- (f) Incorporate periodic training and drill programs <u>consistent</u> with this chapter to evaluate whether personnel and equipment provided under the plan are in a state of operational readiness at all times;
- (g) Describe important features of the surrounding environment, including fish and wildlife habitat, shellfish beds, environmentally and archaeologically sensitive areas, and public facilities. The departments of ecology, fish and wildlife, ((and)) natural resources, and ((the office of)) archaeology and historic preservation, upon request, shall provide information that they have available to assist in preparing this description. The description of archaeologically sensitive areas shall not be required to be included in a contingency plan until it is reviewed and updated pursuant to subsection (9) of this section;
- (h) State the means of protecting and mitigating effects on the environment, including fish, shellfish, marine mammals, and other wildlife, and ensure that implementation of the plan does not pose unacceptable risks to the public or the environment;
- (i) Establish guidelines for the use of equipment by the crew of a vessel to minimize vessel damage, stop or reduce any spilling from the vessel, and, only when appropriate and only when vessel safety is assured, contain and clean up the spilled oil;
- 36 (j) Provide arrangements for the prepositioning of spill 37 containment and cleanup equipment and trained personnel at strategic

locations from which they can be deployed to the spill site to promptly and properly remove the spilled oil;

- (k) Provide arrangements for enlisting the use of qualified and trained cleanup personnel to implement the plan;
- (1) Provide for disposal of recovered spilled oil in accordance with local, state, and federal laws;
- (m) Until a spill prevention plan has been submitted pursuant to RCW 88.46.040, state the measures that have been taken to reduce the likelihood that a spill will occur, including but not limited to, design and operation of a vessel, training of personnel, number of personnel, and backup systems designed to prevent a spill;
- (n) State the amount and type of equipment available to respond to a spill, where the equipment is located, and the extent to which other contingency plans rely on the same equipment; ((and))
- (o) If the department has adopted rules permitting the use of dispersants, the circumstances, if any, and the manner for the application of the dispersants in conformance with the department's rules; and
- (p) Include any additional elements of contingency plans as required by this chapter.
- (2)(((a))) The owner or operator of a ((tank)) <u>covered</u> vessel ((of three thousand gross tons or more shall)) <u>must</u> submit ((a)) <u>any required</u> contingency plan <u>updates</u> to the department within ((six months after)) <u>the timelines established by rule by</u> the department ((adopts rules establishing standards for contingency plans under subsection (1) of this section.
- (b) Contingency plans for all other covered vessels shall be submitted to the department within eighteen months after the department has adopted rules under subsection (1) of this section. The department may adopt a schedule for submission of plans within the eighteen-month period)).
- (3)(a) The owner or operator of a tank vessel or of the facilities at which the vessel will be unloading its cargo, or a Washington state nonprofit corporation established for the purpose of oil spill response and contingency plan coverage and of which the owner or operator is a member, shall submit the contingency plan for the tank vessel. Subject to conditions imposed by the department, the owner or operator of a

p. 11 SB 5439

facility may submit a single contingency plan for tank vessels of a particular class that will be unloading cargo at the facility.

- (b) The contingency plan for a cargo vessel or passenger vessel may be submitted by the owner or operator of the cargo vessel or passenger vessel, by the agent for the vessel resident in this state, or by a Washington state nonprofit corporation established for the purpose of oil spill response and contingency plan coverage and of which the owner or operator is a member. Subject to conditions imposed by the department, the owner, operator, or agent may submit a single contingency plan for cargo vessels or passenger vessels of a particular class.
- (c) A person who has contracted with a covered vessel to provide containment and cleanup services and who meets the standards established pursuant to RCW 90.56.240, may submit the plan for any covered vessel for which the person is contractually obligated to provide services. Subject to conditions imposed by the department, the person may submit a single plan for more than one covered vessel.
- (4) A contingency plan prepared for an agency of the federal government or another state that satisfies the requirements of this section and rules adopted by the department may be accepted by the department as a contingency plan under this section. The department shall ensure that to the greatest extent possible, requirements for contingency plans under this section are consistent with the requirements for contingency plans under federal law.
- (5) In reviewing the contingency plans required by this section, the department shall consider at least the following factors:
- (a) The adequacy of containment and cleanup equipment, personnel, communications equipment, notification procedures and call down lists, response time, and logistical arrangements for coordination and implementation of response efforts to remove oil spills promptly and properly and to protect the environment;
- (b) The nature and amount of vessel traffic within the area covered by the plan;
- 34 (c) The volume and type of oil being transported within the area 35 covered by the plan;
- 36 (d) The existence of navigational hazards within the area covered 37 by the plan;

1 (e) The history and circumstances surrounding prior spills of oil within the area covered by the plan;

- (f) The sensitivity of fisheries and wildlife, shellfish beds, and other natural resources within the area covered by the plan;
- (g) Relevant information on previous spills contained in on-scene coordinator reports prepared by the director; and
- (h) The extent to which reasonable, cost-effective measures to prevent a likelihood that a spill will occur have been incorporated into the plan.
- (6) The department shall approve a contingency plan only if it determines that the plan meets the requirements of this section and that, if implemented, the plan is capable, in terms of personnel, materials, and equipment, of removing oil promptly and properly and minimizing any damage to the environment.
- (7) The approval of the contingency plan shall be valid for five years. Upon approval of a contingency plan, the department shall provide to the person submitting the plan a statement indicating that the plan has been approved, the vessels covered by the plan, and other information the department determines should be included.
- (8) An owner or operator of a covered vessel shall notify the department in writing immediately of any significant change of which it is aware affecting its contingency plan, including changes in any factor set forth in this section or in rules adopted by the department. The department may require the owner or operator to update a contingency plan as a result of these changes.
- (9) The department by rule shall require contingency plans to be reviewed, updated, if necessary, and resubmitted to the department at least once every five years.
- (10) Approval of a contingency plan by the department does not constitute an express assurance regarding the adequacy of the plan nor constitute a defense to liability imposed under this chapter or other state law.
- **Sec. 8.** RCW 88.46.100 and 2000 c 69 s 10 are each amended to read as follows:
- 35 (((1))) In ((order to assist the state in identifying areas of the 36 navigable waters of the state needing special attention, the owner or

p. 13 SB 5439

operator of a covered vessel shall notify the)) addition to any notifications that the owner or operator of a covered vessel must provide to the United States coast guard ((within one hour:

- (a) Of the disability of the covered vessel if the disabled vessel is within twelve miles of the shore of the state; and
- (b) Of a collision or a near miss incident within twelve miles of the shore of the state.
- (2) The state military department and the department shall request the coast guard to notify the state military department as soon as possible after the coast guard receives notice of a disabled covered vessel or of a collision or near miss incident within twelve miles of the shore of the state. The department shall negotiate an agreement with the coast guard governing procedures for coast guard notification to the state regarding disabled covered vessels and collisions and near miss incidents.
- (3) The department shall prepare a summary of the information collected under this section and provide the summary to the regional marine safety committees, the coast guard, and others in order to identify problems with the marine transportation system.
 - (4) For the purposes of this section:

- (a) A tank vessel or cargo vessel is considered disabled if any of the following occur:
 - (i) Any accidental or intentional grounding;
- (ii) The total or partial failure of the main propulsion or primary steering or any component or control system that causes a reduction in the maneuvering capabilities of the vessel;
- (iii) An occurrence materially and adversely affecting the vessel's seaworthiness or fitness for service, including but not limited to, fire, flooding, or collision with another vessel;
- (iv) Any other occurrence that creates the serious possibility of an oil spill or an occurrence that may result in such a spill.
 - (b) A barge is considered disabled if any of the following occur:
- (i) The towing mechanism becomes disabled;
- 34 (ii) The towboat towing the barge becomes disabled through occurrences defined in (a) of this subsection.
- 36 (c) A near miss incident is an incident that requires the pilot or
 37 master of a covered vessel to take evasive actions or make significant

course corrections in order to avoid a collision with another ship or to avoid a grounding as required by the international rules of the road.

- (5) Failure of any person to make a report under this section shall not be used as the basis for the imposition of any fine or penalty)) regarding a vessel emergency, the owner or operator of a covered vessel must notify the state of any vessel emergency that results in the discharge or substantial threat of discharge of oil to state waters or that may affect the natural resources of the state. The purpose of this notification is to enable the department to coordinate with the vessel operator, contingency plan holder, and the United States coast guard to protect the public health, welfare, and natural resources of the state and to ensure all reasonable spill preparedness and response measures are in place prior to a spill occurring.
- **Sec. 9.** RCW 88.46.090 and 2000 c 69 s 9 are each amended to read 16 as follows:
 - (1) Except as provided in subsection (4) of this section, it shall be unlawful for a covered vessel to enter the waters of the state without an approved contingency plan required by ((RCW 88.46.060)) this chapter, a spill prevention plan required by RCW 88.46.040, or financial responsibility in compliance with chapter 88.40 RCW and the federal oil pollution act of 1990. The department may deny entry onto the waters of the state to any covered vessel that does not have a required contingency or spill prevention plan or financial responsibility.
 - (2) Except as provided in subsection (4) of this section, it shall be unlawful for a covered vessel to transfer oil to or from an onshore or offshore facility that does not have an approved contingency plan required under RCW 90.56.210, a spill prevention plan required by RCW 90.56.200, or financial responsibility in compliance with chapter 88.40 RCW and the federal oil pollution act of 1990.
 - (3) The director may assess a civil penalty of up to ((one)) three hundred thousand dollars against the owner or operator of a vessel who is in violation of subsection (1) or (2) of this section. Each day that the owner or operator of a covered vessel is in violation of this section shall be considered a separate violation.

p. 15 SB 5439

1 (4) It shall not be unlawful for a covered vessel to operate on the waters of the state if:

- (a) A contingency plan, a prevention plan, or financial responsibility is not required for the covered vessel;
- (b) A contingency plan and prevention plan has been submitted to the department as required by this chapter and rules adopted by the department and the department is reviewing the plan and has not denied approval; or
- (c) The covered vessel has entered state waters after the United States coast guard has determined that the vessel is in distress.
- (5) Any person may rely on a copy of the statement issued by the department to RCW 88.46.060 as evidence that the vessel has an approved contingency plan and the statement issued pursuant to RCW 88.46.040 as evidence that the vessel has an approved spill prevention plan.
- (6) Except for violations of subsection (1) or (2) of this section, any person who violates the provisions of this chapter or rules or orders adopted or issued pursuant thereto, shall incur, in addition to any other penalty as provided by law, a penalty in an amount of up to ten thousand dollars a day for each violation. Each violation is a separate offense, and in case of a continuing violation, every day's continuance is a separate violation. Every act of commission or omission which procures, aids, or abets in the violation shall be considered a violation under the provisions of this subsection and subject to penalty. The penalty amount shall be set in consideration of the previous history of the violator and the severity of the violation's impact on public health and the environment in addition to other relevant factors. The penalty shall be imposed pursuant to the procedures set forth in RCW 43.21B.300.

Sec. 10. RCW 90.48.366 and 2007 c 347 s 1 are each amended to read 30 as follows:

The department, in consultation with the departments of fish and wildlife and natural resources, and the parks and recreation commission, shall adopt rules establishing a compensation schedule for the discharge of oil in violation of this chapter and chapter 90.56 RCW. The amount of compensation assessed under this schedule shall be no less than ((one dollar)) three dollars per gallon of oil spilled and no greater than ((one)) three hundred dollars per gallon of oil

spilled. The compensation schedule shall reflect adequate compensation for unquantifiable damages or for damages not quantifiable at reasonable cost for any adverse environmental, recreational, aesthetic, or other effects caused by the spill and shall take into account:

- (1) Characteristics of any oil spilled, such as toxicity, dispersibility, solubility, and persistence, that may affect the severity of the effects on the receiving environment, living organisms, and recreational and aesthetic resources;
- (2) The sensitivity of the affected area as determined by such factors as: (a) The location of the spill; (b) habitat and living resource sensitivity; (c) seasonal distribution or sensitivity of living resources; (d) areas of recreational use or aesthetic importance; (e) the proximity of the spill to important habitats for birds, aquatic mammals, fish, or to species listed as threatened or endangered under state or federal law; (f) significant archaeological resources as determined by the department of archaeology and historic preservation; and (g) other areas of special ecological or recreational importance, as determined by the department; and
- (3) Actions taken by the party who spilled oil or any party liable for the spill that: (a) Demonstrate a recognition and affirmative acceptance of responsibility for the spill, such as the immediate removal of oil and the amount of oil removed from the environment; or (b) enhance or impede the detection of the spill, the determination of the quantity of oil spilled, or the extent of damage, including the unauthorized removal of evidence such as injured fish or wildlife.
- Sec. 11. RCW 90.56.370 and 2000 c 69 s 21 are each amended to read as follows:
- (1) Any person owning oil or having control over oil that enters the waters of the state in violation of RCW 90.56.320 shall be strictly liable, without regard to fault, for the damages to persons or property, public or private, or natural resources, caused by such entry.
- 33 (2) <u>Damages for which responsible parties are liable under this</u> 34 <u>section include, but are not limited to:</u>
- (a) Injury to, or economic loss resulting from destruction of or injury to, real or personal property, which shall be recoverable by any claimant who has an ownership or leasehold interest in the property;

p. 17 SB 5439

- 1 (b) Loss of subsistence use of natural resources, which is 2 recoverable by any claimant who so uses natural resources that have 3 been injured, destroyed, or lost;
 - (c) Loss of taxes, royalties, rents, or net profit shares caused by injury, destruction, loss, or impairment of use of real or personal property, or natural resources; and
 - (d) Loss of profits or impairment of earning capacity due to the injury, destruction, or loss of real or personal property, or natural resources, which shall be recoverable by a claimant who derives at least twenty-five percent of his or her earnings from use of the property or natural resources, or, if that use is seasonal in nature, twenty-five percent of his or her earnings during the applicable season.
 - (3) Damages for which responsible parties are liable under this section include, but are not limited to, damages provided in subsections (1) and (2) of this section resulting from any action conducted in response to a violation of RCW 90.56.320, including actions to collect, investigate, perform surveillance over, remove, contain, treat, or disperse oil discharged into waters of the state.
 - (4) In any action to recover damages resulting from the discharge of oil in violation of RCW 90.56.320, the owner or person having control over the oil shall be relieved from strict liability, without regard to fault, if that person can prove that the discharge was caused solely by:
 - (a) An act of war or sabotage;
- 26 (b) An act of God;

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- (c) Negligence on the part of the United States government; or
- 28 (d) Negligence on the part of the state of Washington.
- 29 $((\frac{3}{3}))$ (5) The liability established in this section shall in no way affect the rights which:
- 31 (a) The owner or other person having control over the oil may have 32 against any person whose acts may in any way have caused or contributed 33 to the discharge of oil((-)) : or
- 34 (b) The state of Washington may have against any person whose actions may have caused or contributed to the discharge of oil.
- 36 NEW SECTION. Sec. 12. The department of ecology must adopt any

- 1 rules it deems necessary for the implementation of this act by January
- 2 1, 2012.

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p. 19 SB 5439