SSB 6567 - S AMD 679

By Senator Baumgartner

- 1 Strike everything after the enacting clause and insert the 2 following:
 - "NEW SECTION. Sec. 1. (1) The state of Washington has a long history of leading in efforts to protect our natural environment while encouraging economic opportunities. Public safety, protection of the natural environment, and economic opportunities are goals shared by all Washingtonians.
 - (2) Liquid bulk crude oil spill prevention and response programs in Washington state, created through thoughtful cooperation and coordination between industry and the communities they serve, is a model to the rest of the nation and a model to the world. As modes of transport for various types of liquid bulk crude oil change and as the volume of liquid bulk crude oil transported through Washington changes, it is important that proactive steps are taken to ensure public safety and protection of natural resources.
 - (3) This act is intended to build upon strong and prudent plans currently in effect, identify areas that need further protections, and invest taxpayer funds today to increase safety and prevent spills.
 - (4) Prevention of crude oil spills is a top priority of the legislature. Providing first responders, local communities, and impacted parties with the tools to respond when spills do occur is in the vital interest of the citizens of Washington state.
- NEW SECTION. Sec. 2. (1) The department of ecology, in consultation with the utilities and transportation commission, the federal railroad administration, and industry representatives, shall conduct a study on the safety of transporting crude oil in liquid bulk form by rail. The study must include:
 - (a) A review of:

- (i) The federal, state, and local emergency response and prevention programs and activities for spills from tank cars transporting liquid bulk crude oil with a focus on high hazard areas where emergency response equipment can be strategically placed for use by federal, state, regional, or local governments or other emergency responders;
 - (ii) The capacity of local jurisdictions to prevent and respond to liquid bulk crude oil spills;
- 8 (iii) The identification of weaknesses or gaps in federal, state, 9 and local liquid bulk crude oil spill prevention and response; and
- 10 (iv) Federal regulations governing liquid bulk crude oil spill prevention and response for transport by rail;
 - (b) A survey of:

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- 13 (i) Local government funding for emergency liquid bulk crude oil spill prevention and response programs;
- 15 (ii) Sources of funding, entities assessed, or contributions 16 required by participants of emergency liquid bulk crude oil spill 17 prevention and response programs; and
 - (iii) Regional or countywide cooperative agreements implementing liquid bulk crude oil spill prevention and response programs;
 - (c) Recommendations for legislative consideration on the following:
- 21 (i) Levels of funding and sources of funding for emergency liquid 22 bulk crude oil spill prevention and response programs;
 - (ii) Participants that should be included in an emergency liquid bulk crude oil spill prevention and response program and the amount these participants should be assessed;
 - (iii) Appropriate use of funds such as: Liquid bulk crude oil spill response, equipment, training, or other benefits to those who are assessed;
 - (iv) Cooperative regional or countywide agreements to meet emergency liquid bulk crude oil spill prevention and response program needs, while maintaining an individual organization's distinct purpose; and
 - (v) Methods to increase cooperation and coordination among organizations responding to liquid bulk crude oil spills, including:
- 35 (A) Sharing resources or mutual aide between terrestrial and on-36 water liquid bulk crude oil spill emergencies; and
- 37 (B) Communication to ensure a common understanding of the potential 38 threat from liquid bulk crude oil spills; and

- 1 (d) A report on the status and progress of federal rule making for 2 tank car safety requirements including model, age, modifications, and 3 upgrades.
- 4 (2) The department of ecology must provide: (a) A preliminary evaluation on the status of the safety of transporting liquid bulk 5 crude oil by rail in the state and include recommendations for near-6 term legislative action to address needs identified in the review as 7 8 required under subsection (1)(a)(i) of this section, to the relevant policy and fiscal committees of the senate and house of representatives 9 10 by December 31, 2014; and (b) using the study and reviews conducted under this section, a final report regarding the safety of the 11 12 transport of liquid bulk crude oil by rail, as well as recommendations 13 for policy, budget needs, or legislation to the relevant policy and fiscal committees of the senate and house of representatives by 14 15 December 31, 2015.
- NEW SECTION. Sec. 3. The department of ecology shall provide an analysis on the safety of transporting liquid bulk crude oil on waters of the state.
 - (1) The analysis must include:

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- (a) The capacity to address risks posed by liquid bulk crude oil;
- (b) Weaknesses or gaps in liquid bulk crude oil spill prevention and response programs, including identification of programs that are not complete or need to be more robust, with a focus on Grays Harbor and the Columbia river; and
- 25 (c) Barge and tug operations within the state related to the 26 movement of liquid bulk crude oil; and
- 27 (d) A status report on the federal, state, and local waterborne 28 liquid bulk crude oil spill prevention and preparedness.
 - (2) The department of ecology must provide to the relevant policy and fiscal committees of the senate and house of representatives by December 31, 2014, a status report on waterborne liquid bulk crude oil spill prevention and preparedness; recommendations for Grays Harbor and the Columbia river crude oil spill prevention and preparedness; an analysis of barge and tug liquid bulk crude oil operations; and safety gaps or weaknesses in liquid bulk crude oil spill prevention and response programs.

NEW SECTION. **Sec. 4.** A new section is added to chapter 90.56 RCW to read as follows:

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- (1) The department must provide to the relevant policy and fiscal committees of the senate and house of representatives:
- (a) A review of all state and federal geographic response plans as needed in contingency plans required under RCW 90.56.210 and 88.46.060 by December 31, 2014; and
- (b) Annual updates, beginning December 31, 2015, and ending December 31, 2021, as required under RCW 43.01.036, as to the progress made in completing state and federal geographic response plans as needed in contingency plans required under RCW 90.56.060, 90.56.210, and 88.46.060.
- 13 (2) The department must contract, if practicable, with eligible 14 independent third parties to ensure completion by December 1, 2016, of 15 at least fifty percent of the geographic response plans as needed in 16 contingency plans required under RCW 90.56.210 and 88.46.060 for the 17 state.
- NEW SECTION. Sec. 5. A new section is added to chapter 90.56 RCW to read as follows:
 - (1) The owner or operator for each facility other than a transmission pipeline shall submit to the department data and information on the volume and type of crude oil that arrived at and departed from the facility each month, including the state, province, or country of origin of the crude oil, the mode of arrival and departure at the facility including, but not limited to, arrival by vessel, rail, or pipeline.
 - (2)(a) Any person required to present information to the department pursuant to subsection (1) of this section may request that specific information be held in confidence. Information requested to be held in confidence is presumed to be confidential.
- 31 (b) Information presented to the department pursuant to subsection 32 (1) of this section must be held in confidence by the department or 33 aggregated to the extent necessary to ensure confidentiality if public 34 disclosure of the specific information or data would result in an 35 unfair competitive disadvantage to the person supplying the 36 information.

(c)(i) Whenever the department receives a request to publicly disclose unaggregated information or otherwise proposes to publicly disclose information submitted pursuant to subsection (1) of this section, notice of the request or proposal must be provided to the person submitting the information. The notice must indicate the form in which the information is to be released. Upon receipt of notice, the person submitting the information has ten working days in which to respond to the notice to justify the claim of confidentiality on each specific item of information covered by the notice on the basis that public disclosure of the specific information would result in an unfair competitive disadvantage to the person supplying the information.

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- (ii) The department shall consider the respondent's submittal in determining whether to publicly disclose the information submitted to it to which a claim of confidentiality is made. The department shall issue a written decision that sets forth its reasons for making the determination whether each item of information for which a claim of confidentiality is made remains confidential or must be publicly disclosed.
- (iii) The department shall not publicly disclose information submitted to it pursuant to subsection (1) of this section within ten working days after the department has issued its written decision required in (c)(ii) of this subsection.
- (iv) No information submitted to the department pursuant to subsection (1) of this section may be deemed confidential if the person submitting the information or data has made it public.
- (v) With respect to information provided under subsection (1) of this section, neither the department nor any employee of the department may do any of the following:
- (A) Use the information for any purpose other than the statistical purposes for which it is supplied;
- (B) Make any publication whereby the information furnished by any particular establishment or individual can be identified; or
- (C) Permit anyone other than department employees to examine the individual reports provided under subsection (1) of this section.
- (d) Any confidential information pertinent to the responsibilities of the department that is obtained by another state agency must be available to the department and must be treated in a confidential manner.

- **Sec. 6.** (1) The department of ecology 1 NEW SECTION. 2 consultation with the senate energy, environment, and 3 telecommunications committee and the house of representatives environment committee, shall hold a regional meeting in British 4 Columbia, Canada, during the week of July 21 through 24, 2014, 5 coinciding with the Pacific Northwest economic region annual summit in 6 7 British Columbia and a joint work session prior to the regional meeting 8 to address emergency prevention and response activities for liquid bulk crude oil transported in the Pacific Northwest region. 9
 - (2) The department of ecology must invite state representatives from the Pacific Northwest economic region authorized under chapter 43.147 RCW and representatives from affected tribes, local governments, the United States government, provinces, Canada, and other appropriate stakeholders. The work session and the regional meeting must at a minimum address:
- 16 (a) Cooperative emergency prevention and response activities 17 between the shared international and state borders;

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- (b) Expected risks posed by increased transport of Canadian crude oil or liquid bulk crude oil throughout the Pacific Northwest region within the next three to five years;
- 21 (c) Changes in methods for transporting liquid bulk crude oil and 22 associated risks;
- 23 (d) Identification of responsible agencies and corresponding 24 activities that can be taken to address expected risks; and
- (e) Consideration of new or emerging technologies to make transport of Canadian crude oil or liquid bulk crude oil safer.
- NEW SECTION. Sec. 7. (1) The department of ecology shall provide grants to emergency responders to assist with oil spill response and firefighting equipment and resources needed to meet the requirements of this act.
- 31 (2) The department of ecology, in consultation with emergency first 32 responders, representatives from oil and rail industries, and 33 businesses that are recipients of liquid bulk crude oil shall review 34 grant applications.
- 35 (a) The application review must include an evaluation of equipment 36 and resource requests, funding requirements, and coordination with 37 existing equipment and resources in the area.

1 (b) Funding must be prioritized for applicants from areas where 2 liquid bulk crude oil is transferred from one mode of transportation to 3 another.

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- (c) Grants must be coordinated to maximize currently existing equipment and resources that have been put in place by first responders and industry.
- 7 **Sec. 8.** RCW 82.23B.010 and 1992 c 73 s 6 are each amended to read 8 as follows:
- 9 ((Unless the context clearly requires otherwise, the definitions in this this section apply throughout this chapter.)) The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
- 13 (1) "Barrel" means a unit of measurement of volume equal to forty-14 two United States gallons of crude oil or petroleum product.
 - (2) "Bulk oil terminal" means a facility of any kind, other than a waterborne vessel, that is used for transferring crude oil from a tank car.
 - (3) "Crude oil" means any naturally occurring liquid hydrocarbons at atmospheric temperature and pressure coming from the earth, including condensate and natural gasoline.
- 21 $((\frac{3}{3}))$ <u>(4)</u> "Department" means the department of revenue.
- $((\frac{4}{}))$ (5) "Marine terminal" means a facility of any kind, other than a waterborne vessel, that is used for transferring crude oil or petroleum products to or from a waterborne vessel or barge.
 - $((\frac{5}{}))$ (6) "Navigable waters" means those waters of the state and their adjoining shorelines that are subject to the ebb and flow of the tide, including the Columbia and Snake rivers.
 - $((\frac{6}{1}))$ (7) "Person" has the meaning provided in RCW 82.04.030.
 - (((7))) (8) "Petroleum product" means any liquid hydrocarbons at atmospheric temperature and pressure that are the product of the fractionation, distillation, or other refining or processing of crude oil, and that are used as, useable as, or may be refined as a fuel or fuel blendstock, including but not limited to, gasoline, diesel fuel, aviation fuel, bunker fuel, and fuels containing a blend of alcohol and petroleum.

(10) "Taxpayer" means the person owning crude oil or petroleum products immediately after receipt of the same into the storage tanks of a marine or bulk oil terminal in this state ((from a waterborne vessel or barge)) and who is liable for the taxes imposed by this chapter.

- ((+9))) (11) "Waterborne vessel or barge" means any ship, barge, or other watercraft capable of travelling on the navigable waters of this state and capable of transporting any crude oil or petroleum product in quantities of ten thousand gallons or more for purposes other than providing fuel for its motor or engine.
- **Sec. 9.** RCW 82.23B.020 and 2006 c 256 s 2 are each amended to read 12 as follows:
 - (1) An oil spill response tax is imposed on the privilege of receiving: (a) Crude oil or petroleum products at a marine terminal within this state from a waterborne vessel or barge operating on the navigable waters of this state; and (b) crude oil at a bulk oil terminal within this state from a tank car. The tax imposed in this section is levied upon the owner of the crude oil or petroleum products immediately after receipt of the same into the storage tanks of a marine or bulk oil terminal from a tank car or waterborne vessel or barge at the rate of one cent per barrel of crude oil or petroleum product received.
 - (2) In addition to the tax imposed in subsection (1) of this section, an oil spill administration tax is imposed on the privilege of receiving: (a) Crude oil or petroleum products at a marine terminal within this state from a waterborne vessel or barge operating on the navigable waters of this state; and (b) crude oil at a bulk oil terminal within this state from a tank car. The tax imposed in this section is levied upon the owner of the crude oil or petroleum products immediately after receipt of the same into the storage tanks of a marine or bulk oil terminal from a tank car or waterborne vessel or barge at the rate of four cents per barrel of crude oil or petroleum product.
 - (3) The taxes imposed by this chapter $((\frac{\text{shall}}{\text{shall}}))$ must be collected by the marine or bulk oil terminal operator from the taxpayer. If any person charged with collecting the taxes fails to bill the taxpayer for the taxes, or in the alternative has not notified the taxpayer in

writing of the ((imposition of the)) taxes imposed, or having collected the taxes, fails to pay them to the department in the manner prescribed by this chapter, whether such failure is the result of the person's own acts or the result of acts or conditions beyond the person's control, he or she ((shall)), nevertheless, ((be)) is personally liable to the state for the amount of the taxes. Payment of the taxes by the owner to a marine or bulk oil terminal operator ((shall)) must relieve the owner from further liability for the taxes.

- (4) Taxes collected under this chapter ((shall)) must be held in trust until paid to the department. Any person collecting the taxes who appropriates or converts the taxes collected ((shall be)) is guilty of a gross misdemeanor if the money required to be collected is not available for payment on the date payment is due. The taxes required by this chapter to be collected ((shall)) must be stated separately from other charges made by the marine or bulk oil terminal operator in any invoice or other statement of account provided to the taxpayer.
- (5) If a taxpayer fails to pay the taxes imposed by this chapter to the person charged with collection of the taxes and the person charged with collection fails to pay the taxes to the department, the department may, in its discretion, proceed directly against the taxpayer for collection of the taxes.
- (6) The taxes ((shall be)) are due from the marine or bulk oil terminal operator, along with reports and returns on forms prescribed by the department, within twenty-five days after the end of the month in which the taxable activity occurs.
- (7) The amount of taxes, until paid by the taxpayer to the marine or bulk oil terminal operator or to the department, ((shall)) constitute a debt from the taxpayer to the marine or bulk oil terminal operator. Any person required to collect the taxes under this chapter who, with intent to violate the provisions of this chapter, fails or refuses to do so as required and any taxpayer who refuses to pay any taxes due under this chapter((, shall be)) is guilty of a misdemeanor as provided in chapter 9A.20 RCW.
- (8) Upon prior approval of the department, the taxpayer may pay the taxes imposed by this chapter directly to the department. The department ((shall)) <u>must</u> give its approval for direct payment under this section whenever it appears, in the department's judgment, that direct payment will enhance the administration of the taxes imposed

under this chapter. The department ((shall)) must provide by rule for the issuance of a direct payment certificate to any taxpayer qualifying for direct payment of the taxes. Good faith acceptance of a direct payment certificate by a terminal operator ((shall)) must relieve the marine or bulk oil terminal operator from any liability for the collection or payment of the taxes imposed under this chapter.

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- (9) All receipts from the tax imposed in subsection (1) of this section ((shall)) <u>must</u> be deposited into the state oil spill response account. All receipts from the tax imposed in subsection (2) of this section shall be deposited into the oil spill prevention account.
- (10) Within forty-five days after the end of each calendar quarter, the office of financial management ((shall)) must determine the balance of the oil spill response account as of the last day of that calendar quarter. Balance determinations by the office of financial management under this section are final and ((shall)) may not be used to challenge the validity of any tax imposed under this chapter. The office of financial management ((shall)) must promptly notify the departments of revenue and ecology of the account balance once a determination is made. For each subsequent calendar quarter, the tax imposed by subsection (1) of this section shall be imposed during the entire calendar quarter unless:
- (a) Tax was imposed under subsection (1) of this section during the immediately preceding calendar quarter, and the most recent quarterly balance is more than nine million dollars; or
- 25 (b) Tax was not imposed under subsection (1) of this section during 26 the immediately preceding calendar quarter, and the most recent 27 quarterly balance is more than eight million dollars.
- 28 **Sec. 10.** RCW 82.23B.030 and 1992 c 73 s 9 are each amended to read 29 as follows:
 - The taxes imposed under this chapter ((shall)) only apply to the first receipt of crude oil or petroleum products at a marine or bulk oil terminal in this state and not to the later transporting and subsequent receipt of the same oil or petroleum product, whether in the form originally received at a marine or bulk oil terminal in this state or after refining or other processing.

- 1 **Sec. 11.** RCW 82.23B.040 and 1992 c 73 s 10 are each amended to 2 read as follows:
- 3 Credit ((shall)) <u>must</u> be allowed against the taxes imposed under 4 this chapter for any crude oil or petroleum products received at a 5 marine <u>or bulk oil</u> terminal and subsequently exported from or sold for 6 export from the state.
- 7 **Sec. 12.** RCW 88.40.011 and 2007 c 347 s 4 are each amended to read 8 as follows:

9 The definitions in this section apply throughout this chapter 10 unless the context clearly requires otherwise.

(1) "Barge" means a vessel that is not self-propelled.

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- 12 (2) "Cargo vessel" means a self-propelled ship in commerce, other 13 than a tank vessel, fishing vessel, or a passenger vessel, of three 14 hundred or more gross tons.
- 15 (3) "Bulk" means material that is stored or transported in a loose, 16 unpackaged liquid, powder, or granular form capable of being conveyed 17 by a pipe, bucket, chute, or belt system.
- 18 (4) "Covered vessel" means a tank vessel, cargo vessel, or 19 passenger vessel.
 - (5) "Department" means the department of ecology.
 - (6) "Director" means the director of the department of ecology.
 - (7)(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 any vessel with an oil carrying capacity over two hundred fifty barrels 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.

(8) "Fishing vessel" means a self-propelled commercial vessel of three hundred or more gross tons that is used for catching or processing fish.

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- (9) "Gross tons" means tonnage as determined by the United States coast guard under 33 C.F.R. section 138.30.
- (10) "Hazardous substances" means any substance listed as of March 1, 2003, in Table 302.4 of 40 C.F.R. Part 302 adopted under section ((101(14))) 102(a) of the federal comprehensive environmental response, compensation, and liability act of 1980, as amended by P.L. 99-499. The following are not hazardous substances for purposes of this chapter:
- (a) Wastes listed as F001 through F028 in Table 302.4; and
 - (b) Wastes listed as K001 through K136 in Table 302.4.
- (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) "Oil" or "oils" means oil of any kind that is liquid at ((atmospheric temperature)) twenty-five degrees Celsius and one atmosphere of pressure and any fractionation thereof, including, but not limited to, crude oil, bitumen, synthetic crude oil, natural gas well condensate, 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 as of March 1, 2003, in Table 302.4 of 40 C.F.R. Part 302 adopted under section ((101(14))) 102(a) of the federal comprehensive environmental response, compensation, and liability act of 1980, as amended by P.L. 99-499.
- (13) "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.
- (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.
- 13 (17) "Ship" means any boat, ship, vessel, barge, or other floating 14 craft of any kind.
- 15 (18) "Spill" means an unauthorized discharge of oil into the waters 16 of the state.
- 17 (19) "Tank vessel" means a ship that is constructed or adapted to 18 carry, or that carries, oil in bulk as cargo or cargo residue, and 19 that:
 - (a) Operates on the waters of the state; or

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- 21 (b) Transfers oil in a port or place subject to the jurisdiction of 22 this state.
- (20) "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.
- 28 Sec. 13. RCW 88.46.010 and 2011 c 122 s 1 are each reenacted and 29 amended to read as follows:
- The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
- 32 (1) "Best achievable protection" means the highest level of 33 protection that can be achieved through the use of the best achievable 34 technology and those staffing levels, training procedures, and 35 operational methods that provide the greatest degree of protection 36 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
- (c) The cost of the measures.

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- 6 (2)(a) "Best achievable technology" means the technology that 7 provides the greatest degree of protection taking into consideration:
- 8 (i) Processes that are being developed, or could feasibly be 9 developed, given overall reasonable expenditures on research and 10 development; and
 - (ii) Processes that are currently in use.
 - (b) 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.
- 22 (5) "Covered vessel" means a tank vessel, cargo vessel, or 23 passenger vessel.
 - (6) "Department" means the department of ecology.
 - (7) "Director" means the director of the department of ecology.
- 26 (8) "Discharge" means any spilling, leaking, pumping, pouring, 27 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.

- (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)) twenty-five degrees Celsius and one atmosphere of pressure and any fractionation thereof, including, but not limited to, crude oil, bitumen, synthetic crude oil, natural gas well condensate, 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))) 102(a) 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.

1 (b) "Operator" does not include any person who owns the land 2 underlying a facility if the person is not involved in the operations 3 of the facility.

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- (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.
- (17) "Person" means any political subdivision, government agency, municipality, industry, public or private corporation, copartnership, association, firm, individual, or any other entity whatsoever.
- 10 (18) "Race Rocks light" means the nautical landmark located 11 southwest of the city of Victoria, British Columbia.
 - (19) "Regional vessels of opportunity response group" means a group of nondedicated vessels participating in a vessels of opportunity response system to respond when needed and available to spills in a defined geographic area.
 - (20) "Severe weather conditions" means observed nautical conditions with sustained winds measured at forty knots and wave heights measured between twelve and eighteen feet.
- 19 (21) "Ship" means any boat, ship, vessel, barge, or other floating 20 craft of any kind.
- 21 (22) "Spill" means an unauthorized discharge of oil into the waters 22 of the state.
- 23 (23) "Strait of Juan de Fuca" means waters off the northern coast 24 of the Olympic Peninsula seaward of a line drawn from New Dungeness 25 light in Clallam county to Discovery Island light on Vancouver Island, 26 British Columbia, Canada.
- 27 (24) "Tank vessel" means a ship that is constructed or adapted to 28 carry, or that carries, oil in bulk as cargo or cargo residue, and 29 that:
 - (a) Operates on the waters of the state; or
- 31 (b) Transfers oil in a port or place subject to the jurisdiction of 32 this state.
- 33 (25) "Umbrella plan holder" means a nonprofit corporation 34 established consistent with this chapter for the purposes of providing 35 oil spill response and contingency plan coverage.
- 36 (26) "Vessel emergency" means a substantial threat of pollution 37 originating from a covered vessel, including loss or serious

degradation of propulsion, steering, means of navigation, primary electrical generating capability, and seakeeping capability.

- (27) "Vessels of opportunity response system" means nondedicated boats and operators, including fishing and other vessels, that are under contract with and equipped by contingency plan holders to assist with oil spill response activities, including on-water oil recovery in the near shore environment and the placement of oil spill containment booms to protect sensitive habitats.
- (28) "Volunteer coordination system" means an oil spill response system that, before a spill occurs, prepares for the coordination of volunteers to assist with appropriate oil spill response activities, which may include shoreline protection and cleanup, wildlife recovery, field observation, light construction, facility maintenance, donations management, clerical support, and other aspects of a spill response.
- (29) "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.
- 20 (30) "Worst case spill" means: (a) In the case of a vessel, a 21 spill of the entire cargo and fuel of the vessel complicated by adverse 22 weather conditions; and (b) in the case of an onshore or offshore 23 facility, the largest foreseeable spill in adverse weather conditions.
- **Sec. 14.** RCW 90.56.010 and 2007 c 347 s 6 are each amended to read 25 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 (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.
- 16 (6) "Committee" means the preassessment screening committee 17 established under RCW 90.48.368.
- 18 (7) "Covered vessel" means a tank vessel, cargo vessel, or 19 passenger vessel.
 - (8) "Department" means the department of ecology.
 - (9) "Director" means the director of the department of ecology.
- 22 (10) "Discharge" means any spilling, leaking, pumping, pouring, 23 emitting, emptying, or dumping.
 - (11)(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) underground storage tank regulated by the department or a local government under chapter 90.76 RCW; (iii) motor vehicle motor fuel outlet; (iv) facility that is operated as part of an exempt agricultural activity as provided in RCW 82.04.330; 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.

1 (12) "Fund" means the state coastal protection fund as provided in 2 RCW 90.48.390 and 90.48.400.

- (13) "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.
- (14) "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.
- (15) "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) "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.
- (17) "Oil" or "oils" means oil of any kind that is liquid at ((atmospheric temperature)) twenty-five degrees Celsius and one atmosphere of pressure and any fractionation thereof, including, but not limited to, crude oil, bitumen, synthetic crude oil, natural gas well condensate, 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))) 102(a) of the federal comprehensive environmental response, compensation, and liability act of 1980, as amended by P.L. 99-499.
- (18) "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.
- 37 (19) "Onshore facility" means any facility any part of which is 38 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.

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- (20)(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.
- (21) "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.
- (22) "Person" means any political subdivision, government agency, municipality, industry, public or private corporation, copartnership, association, firm, individual, or any other entity whatsoever.
- 19 (23) "Ship" means any boat, ship, vessel, barge, or other floating 20 craft of any kind.
- 21 (24) "Spill" means an unauthorized discharge of oil or hazardous 22 substances into the waters of the state.
 - (25) "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
- 27 (b) Transfers oil in a port or place subject to the jurisdiction of this state.
 - (26) "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.
- 34 (27) "Worst case spill" means: (a) In the case of a vessel, a 35 spill of the entire cargo and fuel of the vessel complicated by adverse 36 weather conditions; and (b) in the case of an onshore or offshore 37 facility, the largest foreseeable spill in adverse weather conditions.

- NEW SECTION. Sec. 15. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.
- 5 <u>NEW SECTION.</u> **Sec. 16.** This act may be known and cited as the 6 spill prevention and response act."

<u>SSB 6567</u> - S AMD By Senator

On page 1, line 2 of the title, after "rail;" strike the remainder of the title and insert "amending RCW 82.23B.010, 82.23B.020, 82.23B.030, 82.23B.040, 88.40.011, and 90.56.010; reenacting and amending RCW 88.46.010; adding new sections to chapter 90.56 RCW; and creating new sections."

EFFECT: Adds studies of rail and waterborne transport of crude
oil;

Requires Ecology to contract out completion of at least 50% of geographic response plans;

Requires facilities receiving crude oil by rail to report, on a monthly basis, volume and type and origin;

Provides confidentiality procedures for facilities reporting crude oil volume and type;

Requires Ecology, in consultation with the Senate EET Committee and House Environment Committee to hold a work session and a regional meeting, coinciding with PNWER annual summit, on transportation of liquid bulk crude in the Pacific Northwest region;

Requires Ecology to provide grants to emergency first responders for oil spill response equipment and resources;

Applies the barrel tax to crude oil by rail; and

Amends the definition of "oil" and "oils" to include bitumen, synthetic crude, etc., for the purposes of oil spill prevention and response, vessel oil spill and response, and financial responsibilities of the transport of petroleum statutes.

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