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## Environment Committee

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### HB 2575

**Brief Description:** Continuing state efforts to increase oil transportation safety.

**Sponsors:** Representatives Farrell, Fitzgibbon, Peterson, Walkinshaw, Frame, McBride, Stanford, Jinkins, Ormsby, Gregerson, Senn, Pollet and Tharinger.

#### Brief Summary of Bill

- Directs the Department of Ecology (ECY) to update a 2015 report to the Legislature regarding the transportation of oil by December 2016.
- Directs the ECY to compile a document that summarizes certain cumulative transportation and environmental impacts associated with proposed new and modified oil facilities by December, 2016.
- Directs the ECY to contract for an update to a 2006 analysis of statewide response capacity to chemical, biological, radiological, nuclear and explosive agents by June 2017.

**Hearing Date:** 1/26/16

**Staff:** Jacob Lipson (786-7196).

#### Background:

The federal Emergency Planning and Community Right to Know Act requires the state to establish a State Emergency Response Commission (SERC) to supervise and coordinate the work of local emergency response planning committees. In 2006 the Department of Ecology (ECY) contracted for a report prepared for the SERC that assessed federal, state, and local capacities to respond to dangerous incidents in Washington involving chemical, biological, radioactive, nuclear, or explosive (CBRNE) agents and other hazardous materials. The report recommended and outlined how the state could establish a program under the Office of the State Fire Marshall to train emergency responders to prepare for CBRNE incidents.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

The 2014 supplemental operating budget directed the ECY to submit a report to the Legislature regarding the transportation of oil through the state. The report, conducted in consultation with the Utilities and Transportation Commission, the Department of Transportation, the emergency management division of the military department, tribes, and a variety of stakeholders, analyzed the risks to public health and safety and the environmental impacts of oil transportation in Washington. The report included various recommendations regarding policy gaps and opportunities to increase public safety and improve spill prevention and response readiness.

In 2015 the Legislature enacted Engrossed Substitute House Bill 1449, (also known as the Oil Transportation Safety Act), which included many provisions related to the recommendations in the ECY's report. The new requirements in the act included disclosure of information about receipts of oil by train and pipelines from oil facilities, oil spill contingency planning by railroads, and disclosure of financial assurances held by railroads in an annual report. The infrastructure used for transporting, refining, and storing crude oil and refined petroleum products in Washington includes railroads, tanker ships, barges, pipelines, oil refineries, oil terminals, and trucks. Currently, there are several pending proposals to build new oil storage facilities and to modify or convert existing oil facility infrastructure. For some of these pending proposals, preliminary or draft environmental review under the State Environmental Policy Act (SEPA) has been completed.

In December 2015 the United States Congress eliminated many restrictions on the export of crude oil from the United States that had been in place since 1975. Prior to December 2015 the export of crude oil from the United States required a license and was allowed under certain limited circumstances, such as the export of crude oil from Alaska's Cook Inlet, exports to Canada for consumption in Canada, and exports of crude oil of foreign origin that was not commingled with American-produced oil. Certain restrictions on the export of crude oil remain in place under the new 2015 federal law, including the authority for the President to impose licensing requirements if there is a national emergency, or upon a finding that the export of crude oil leads to supply shortages that cause adverse employment effects in the United States.

### **Summary of Bill:**

The ECY is directed to update the 2014 oil transportation report to Legislature by December 15, 2016. The report must be updated to address changing oil shipment patterns and safety risks in light of the lifted federal export ban on crude oil and the state's passage of the 2015 Oil Transportation Safety Act. The ECY is not required to update data or analyses from the original report that are largely unaffected by the federal crude oil export ban change or the 2015 Oil Transportation Safety Act. Other agencies and stakeholders may be consulted in the updating of the report, and the ECY must provide an opportunity for written and in-person public comment.

By December 15, 2016 the ECY must also compile and post on its website a master document that summarizes cumulative environmental impacts associated with all oil facility development proposals that were active as of January 1, 2016. The report must include impacts associated with new or modified facility infrastructure in Washington, as well as proposed infrastructure developments in Alberta and British Columbia, Canada. The cumulative environmental impact summary must summarize certain changes anticipated to be associated with products regarding the frequency and volume of oil being transported by train and vessel. In developing this

document, the ECY is directed to use existing analyses from SEPA reviews and from relevant materials submitted by project proponents.

By June 30, 2017 the ECY must hire an independent contractor to update the 2006 CBRNE report to the SERC. The report must include an updated analysis of the state's hazardous materials response capabilities and comparable response structures in other states. The report must give special emphasis to shifting transport patterns for crude oil and other hazardous materials and available response resources.

**Appropriation:** None.

**Fiscal Note:** Requested on 1/19/16.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.