
SENATE BILL 6418

State of Washington

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By Senators Ranker, Rolfes, Nelson, Hargrove, Liiias, Carlyle, Billig, Pedersen, Darneille, Keiser, Frockt, McCoy, Habib, Chase, Hasegawa, and Conway

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1 AN ACT Relating to oil transportation safety; amending RCW
2 88.40.025, 88.40.030, 88.40.040, 88.16.190, 90.56.370, and
3 82.23B.020; reenacting and amending RCW 88.40.011 and 88.40.020;
4 adding new sections to chapter 90.56 RCW; and adding a new section to
5 chapter 82.23B RCW.

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

7 **Sec. 1.** RCW 88.40.011 and 2015 c 274 s 9 are each reenacted and
8 amended to read as follows:

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

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

12 (2) "Bulk" means material that is stored or transported in a
13 loose, unpackaged liquid, powder, or granular form capable of being
14 conveyed by a pipe, bucket, chute, or belt system.

15 (3) "Cargo vessel" means a self-propelled ship in commerce, other
16 than a tank vessel, fishing vessel, or a passenger vessel, of three
17 hundred or more gross tons.

18 (4) "Covered vessel" means a tank vessel, cargo vessel, or
19 passenger vessel.

20 (5) "Department" means the department of ecology.

21 (6) "Director" means the director of the department of ecology.

1 (7)(a) "Facility" means any structure, group of structures,
2 equipment, pipeline, or device, other than a vessel, located on or
3 near the navigable waters of the state that transfers oil in bulk to
4 or from any vessel with an oil carrying capacity over two hundred
5 fifty barrels or pipeline, that is used for producing, storing,
6 handling, transferring, processing, or transporting oil in bulk.

7 (b) A facility does not include any: (i) (~~Railroad-car,~~) Motor
8 vehicle(~~(, or other rolling stock)~~) while transporting oil over the
9 highways (~~(or rail lines)~~) of this state; (ii) retail motor vehicle
10 motor fuel outlet; (iii) facility that is operated as part of an
11 exempt agricultural activity as provided in RCW 82.04.330; (iv)
12 underground storage tank regulated by the department or a local
13 government under chapter 90.76 RCW; or (v) marine fuel outlet that
14 does not dispense more than three thousand gallons of fuel to a ship
15 that is not a covered vessel, in a single transaction.

16 (c) For the purposes of oil spill contingency planning in RCW
17 90.56.210 and financial responsibility in RCW 88.40.025, facility
18 also means a railroad that transports oil as bulk cargo.

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

22 (9) "Gross tons" means tonnage as determined by the United States
23 coast guard under 33 C.F.R. section 138.30.

24 (10) "Hazardous substances" means any substance listed as of
25 March 1, 2003, in Table 302.4 of 40 C.F.R. Part 302 adopted under
26 section 102(a) of the federal comprehensive environmental response,
27 compensation, and liability act of 1980, as amended by P.L. 99-499.
28 The following are not hazardous substances for purposes of this
29 chapter:

30 (a) Wastes listed as F001 through F028 in Table 302.4; and

31 (b) Wastes listed as K001 through K136 in Table 302.4.

32 (11) "Navigable waters of the state" means those waters of the
33 state, and their adjoining shorelines, that are subject to the ebb
34 and flow of the tide and/or are presently used, have been used in the
35 past, or may be susceptible for use to transport intrastate,
36 interstate, or foreign commerce.

37 (12) "Offshore facility" means any facility located in, on, or
38 under any of the navigable waters of the state, but does not include
39 a facility any part of which is located in, on, or under any land of
40 the state, other than submerged land.

1 (13) "Oil" or "oils" means oil of any kind that is liquid at
2 twenty-five degrees Celsius and one atmosphere of pressure and any
3 fractionation thereof, including, but not limited to, crude oil,
4 bitumen, synthetic crude oil, natural gas well condensate, petroleum,
5 gasoline, fuel oil, diesel oil, biological oils and blends, oil
6 sludge, oil refuse, and oil mixed with wastes other than dredged
7 spoil. Oil does not include any substance listed as of March 1, 2003,
8 in Table 302.4 of 40 C.F.R. Part 302 adopted under section 102(a) of
9 the federal comprehensive environmental response, compensation, and
10 liability act of 1980, as amended by P.L. 99-499.

11 (14) "Onshore facility" means any facility any part of which is
12 located in, on, or under any land of the state, other than submerged
13 land, that because of its location, could reasonably be expected to
14 cause substantial harm to the environment by discharging oil into or
15 on the navigable waters of the state or the adjoining shorelines.

16 (15)(a) "Owner or operator" means (i) in the case of a vessel,
17 any person owning, operating, or chartering by demise, the vessel;
18 (ii) in the case of an onshore or offshore facility, any person
19 owning or operating the facility; and (iii) in the case of an
20 abandoned vessel or onshore or offshore facility, the person who
21 owned or operated the vessel or facility immediately before its
22 abandonment.

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

26 (16) "Passenger vessel" means a ship of three hundred or more
27 gross tons with a fuel capacity of at least six thousand gallons
28 carrying passengers for compensation.

29 (17) "Ship" means any boat, ship, vessel, barge, or other
30 floating craft of any kind.

31 (18) "Spill" means an unauthorized discharge of oil into the
32 waters of the state.

33 (19) "Tank vessel" means a ship that is constructed or adapted to
34 carry, or that carries, oil in bulk as cargo or cargo residue, and
35 that:

36 (a) Operates on the waters of the state; or

37 (b) Transfers oil in a port or place subject to the jurisdiction
38 of this state.

39 (20) "Waters of the state" includes lakes, rivers, ponds,
40 streams, inland waters, underground water, salt waters, estuaries,

1 tidal flats, beaches and lands adjoining the seacoast of the state,
2 sewers, and all other surface waters and watercourses within the
3 jurisdiction of the state of Washington.

4 (21) "Certificate of financial responsibility" means an official
5 written acknowledgment issued by the director or the director's
6 designee that an owner or operator of a covered vessel or facility,
7 or the owner of the oil, has demonstrated to the satisfaction of the
8 director or the director's designee that the relevant entity has the
9 financial ability to pay for costs and damages caused by an oil
10 spill.

11 **Sec. 2.** RCW 88.40.020 and 2003 c 91 s 3 and 2003 c 56 s 3 are
12 each reenacted and amended to read as follows:

13 (1) Any barge that transports hazardous substances in bulk as
14 cargo, using any port or place in the state of Washington or the
15 navigable waters of the state shall establish evidence of financial
16 responsibility in the amount of the greater of five million dollars,
17 or three hundred dollars per gross ton of such vessel.

18 (2)(a) Except as provided in (b) or (c) of this subsection, a
19 tank vessel that carries oil as cargo in bulk shall demonstrate
20 financial responsibility to pay at least five hundred million
21 dollars. The amount of financial responsibility required under this
22 subsection is one billion dollars after January 1, 2004.

23 (b) The director by rule may establish a lesser standard of
24 financial responsibility for tank vessels of three hundred gross tons
25 or less. The standard shall set the level of financial responsibility
26 based on the quantity of cargo the tank vessel is capable of
27 carrying. The director shall not set the standard for tank vessels of
28 three hundred gross tons or less below that required under federal
29 law.

30 (c) The owner or operator of a tank vessel who is a member of an
31 international protection and indemnity mutual organization and is
32 covered for oil pollution risks up to the amounts required under this
33 section is not required to demonstrate financial responsibility under
34 this chapter. The director may require the owner or operator of a
35 tank vessel to prove membership in such an organization.

36 (3)(a) A cargo vessel or passenger vessel that carries oil as
37 fuel shall demonstrate financial responsibility to pay at least three
38 hundred million dollars. However, a passenger vessel that transports
39 passengers and vehicles between Washington state and a foreign

1 country shall demonstrate financial responsibility to pay the greater
2 of at least six hundred dollars per gross ton or five hundred
3 thousand dollars.

4 (b) The owner or operator of a cargo vessel or passenger vessel
5 who is a member of an international protection and indemnity mutual
6 organization and is covered for oil pollution risks up to the amounts
7 required under this section is not required to demonstrate financial
8 responsibility under this chapter. The director may require the owner
9 or operator of a cargo vessel or passenger vessel to prove membership
10 in such an organization.

11 (4) A fishing vessel while on the navigable waters of the state
12 must demonstrate financial responsibility in the following amounts:

13 (a) For a fishing vessel carrying predominantly nonpersistent
14 product, one hundred thirty-three dollars and forty cents per
15 incident, for each barrel of total oil storage capacity, persistent
16 and nonpersistent product, on the vessel or one million three hundred
17 thirty-four thousand dollars, whichever is greater; or (b) for a
18 fishing vessel carrying predominantly persistent product, four
19 hundred dollars and twenty cents per incident, for each barrel of
20 total oil storage capacity, persistent product and nonpersistent
21 product, on the vessel or six million six hundred seventy thousand
22 dollars, whichever is greater.

23 (5) ~~The ((documentation of financial responsibility shall~~
24 ~~demonstrate the ability of the document holder to meet state and~~
25 ~~federal financial liability requirements for the actual costs for~~
26 ~~removal of oil spills, for natural resource damages, and for~~
27 ~~necessary expenses))~~ certificate of financial responsibility is
28 conclusive evidence that the person or entity holding the certificate
29 is the party responsible for the specified vessel, facility, or oil
30 for purposes of determining liability pursuant to this chapter.

31 (6) This section shall not apply to a covered vessel owned or
32 operated by the federal government or by a state or local government.

33 **Sec. 3.** RCW 88.40.025 and 1991 c 200 s 704 are each amended to
34 read as follows:

35 An onshore or offshore facility shall demonstrate financial
36 responsibility in an amount determined by the department as necessary
37 to compensate the state and affected counties and cities for damages
38 that might occur during a reasonable worst case spill of oil from
39 that facility into the navigable waters of the state. The department

1 shall (~~consider such matters as the amount of oil that could be~~
2 ~~spilled into the navigable waters from the facility, the cost of~~
3 ~~cleaning up the spilled oil, the frequency of operations at the~~
4 ~~facility, the damages that could result from the spill and the~~
5 ~~commercial availability and affordability of financial~~
6 ~~responsibility~~)) adopt by rule an amount that will be calculated by
7 multiplying the reasonable per barrel cleanup and damage cost of
8 spilled oil, times the worst case spill volume, as measured in
9 barrels, calculated in the applicant's oil spill contingency plan.
10 This section shall not apply to an onshore or offshore facility owned
11 or operated by the federal government or by the state or local
12 government.

13 **Sec. 4.** RCW 88.40.030 and 2000 c 69 s 32 are each amended to
14 read as follows:

15 (1) Financial responsibility required by this chapter may be
16 established by any one of, or a combination of, the following methods
17 acceptable to the department of ecology: (~~(1)~~) (a) Evidence of
18 insurance; (~~(2)~~) (b) surety bonds; (~~(3)~~) (c) qualification as a
19 self-insurer; (~~or (4)~~) (d) guaranty; (e) letter of credit; (f)
20 certificate of deposits; (g) protection and indemnity club
21 membership; or (h) other evidence of financial responsibility. Any
22 bond filed shall be issued by a bonding company authorized to do
23 business in the United States. Documentation of such financial
24 responsibility shall be kept on any covered vessel and filed with the
25 department at least twenty-four hours before entry of the vessel into
26 the navigable waters of the state. A covered vessel is not required
27 to file documentation of financial responsibility twenty-four hours
28 before entry of the vessel into the navigable waters of the state, if
29 the vessel has filed documentation of financial responsibility with
30 the federal government, and the level of financial responsibility
31 required by the federal government is the same as or exceeds state
32 requirements. The owner or operator of the vessel may file with the
33 department a certificate evidencing compliance with the requirements
34 of another state's or federal financial responsibility requirements
35 if the state or federal government requires a level of financial
36 responsibility the same as or greater than that required under this
37 chapter.

38 (2) A certificate of financial responsibility may not have a term
39 greater than one year.

1 **Sec. 5.** RCW 88.40.040 and 2003 c 56 s 4 are each amended to read
2 as follows:

3 (1) It is unlawful for any vessel or facility required to have
4 financial responsibility under this chapter to enter or operate
5 ~~((on))~~ in Washington ~~((waters))~~ without meeting the requirements of
6 this chapter or rules adopted under this chapter, except when
7 necessary to avoid injury to the vessel's or facility's crew or
8 passengers. Any vessel owner or operator that does not meet the
9 financial responsibility requirements of this chapter and any rules
10 prescribed thereunder or the federal oil pollution act of 1990 shall
11 be reported by the department to the United States coast guard.

12 (2) ~~((The department shall enforce section 1016 of the federal
13 oil pollution act of 1990 as authorized by section 1019 of the
14 federal act.))~~ Upon notification of an oil spill or discharge or
15 other action or potential liability, the director shall reevaluate
16 the validity of the certificate of financial responsibility. If the
17 director determines that, because of a spill outside of the state or
18 some other action or potential liability, the holder of a certificate
19 may not have the financial resources to pay damages for the oil spill
20 or discharge or other action or potential liability and have
21 resources remaining available to meet the requirements of this
22 chapter, the director may suspend or revoke the certificate.

23 (3) An owner or operator of either more than one covered vessel
24 or facility, or both is only required to obtain one certificate of
25 financial responsibility for each vessel and facility owned or
26 operated.

27 (4) If a person holds a certificate for more than one covered
28 vessel or facility and a spill or spills occurs from one or more of
29 those vessels or facilities for which the owner or operator may be
30 liable for damages in an amount exceeding five percent of the
31 financial resources reflected by the certificate, as determined by
32 the director, the certificate is immediately considered inapplicable
33 to any vessel or facility not associated with the spill. In that
34 event, the owner or operator shall demonstrate to the satisfaction of
35 the director the amount of financial ability required pursuant to
36 this chapter, as well as the financial ability to pay all damages
37 that arise or have arisen from the spill or spills that have
38 occurred.

1 **Sec. 6.** RCW 88.16.190 and 1994 c 52 s 1 are each amended to read
2 as follows:

3 ~~(1) ((Any oil tanker, whether enrolled or registered, of greater
4 than one hundred and twenty five thousand deadweight tons shall be
5 prohibited from proceeding beyond a point east of a line extending
6 from Discovery Island light south to New Dungeness light.~~

7 ~~(2) An oil tanker, whether enrolled or registered, of forty to
8 one hundred and twenty five thousand deadweight tons may proceed
9 beyond the points enumerated in subsection (1) if such tanker
10 possesses all of the following standard safety features:~~

11 ~~(a) Shaft horsepower in the ratio of one horsepower to each two
12 and one half deadweight tons; and~~

13 ~~(b) Twin screws; and~~

14 ~~(c) Double bottoms, underneath all oil and liquid cargo
15 compartments; and~~

16 ~~(d) Two radars in working order and operating, one of which must
17 be collision avoidance radar; and~~

18 ~~(e) Such other navigational position location systems as may be
19 prescribed from time to time by the board of pilotage commissioners:~~

20 ~~PROVIDED, That, if such forty to one hundred and twenty five
21 thousand deadweight ton tanker is in ballast or is under escort of a
22 tug or tugs with an aggregate shaft horsepower equivalent to five
23 percent of the deadweight tons of that tanker, subsection (2) of this
24 section shall not apply: PROVIDED FURTHER, That additional tug shaft
25 horsepower equivalencies may be required under certain conditions as
26 established by rule and regulation of the Washington utilities and
27 transportation commission pursuant to chapter 34.05 RCW: PROVIDED~~

28 ~~FURTHER, That))~~ (a) Except as provided in subsection (2) of this
29 section, an oil tanker of greater than forty thousand deadweight tons
30 may operate in the waters east of a line extending from Discovery
31 Island light south to New Dungeness light and all points in the Puget
32 Sound area, to the extent that these waters are within the
33 territorial boundaries of Washington, only if the oil tanker is under
34 the escort of a tug or tugs in compliance with the requirements of
35 subsection (3) of this section.

36 (b) The state board of pilotage commissioners, in consultation
37 with the department of ecology and relying on the results of vessel
38 traffic risk assessments, shall adopt rules by November 1, 2017, to
39 implement this subsection (1)(b). These rules may include tug escort
40 requirements and other safety measures for oil tankers of greater

1 than forty thousand deadweight tons, all articulated tug barges, and
2 other towed waterborne vessels or barges. The geographic scope of the
3 rules must be limited to the narrow channels of the San Juan Islands
4 archipelago, including Rosario Strait, Haro Strait, Boundary Pass,
5 and connected waterways. By November 1, 2018, the state board of
6 pilotage commissioners must adopt tug escort requirements and other
7 safety measures for the remaining areas of Puget Sound.

8 (c) In order to adopt a rule under this section, the state board
9 of pilotage commissioners must determine that the results of a vessel
10 traffic risk assessment provides evidence that the rules are
11 necessary in order to achieve best achievable protection as defined
12 in RCW 88.46.010.

13 (d) The state board of pilotage commissioners must consult with
14 the United States coast guard, Puget Sound safety committee, tribes,
15 ports, local governments, and other appropriate entities before
16 adopting tug escort requirements and other safety measures for Puget
17 Sound.

18 (2)(a) If an oil tanker, articulated tug barge, or other towed
19 waterborne vessel or barge is in ballast, the tug escort requirements
20 of subsection (1)(a) of this section and any tug escort rules adopted
21 pursuant to subsection (1)(b) of this section do not apply.

22 (b) If an oil tanker is a single-hulled oil tanker of greater
23 than five thousand gross tons, the requirements of subsection (1)(a)
24 of this section do not apply and the oil tanker must instead comply
25 with 33 C.F.R. Part 168, as it existed as of the effective date of
26 this section.

27 (3)(a) Oil tankers of greater than forty thousand deadweight
28 tons, all articulated tug barges, and other towed waterborne vessels
29 or barges must ensure that any escort tugs they use have an aggregate
30 shaft horsepower equivalent to at least five percent of the
31 deadweight tons of the escorted oil tanker or articulated tug barge.

32 (b) The state board of pilotage commissioners may adopt rules to
33 ensure that escort tugs have sufficient mechanical capabilities to
34 provide for safe escort.

35 (c) Rules adopted on this subject must be designed to achieve
36 best achievable protection as defined in RCW 88.46.010.

37 (4) A tanker assigned a deadweight of equal to or less than forty
38 thousand deadweight tons at the time of construction or
39 reconstruction as reported in Lloyd's Register of Ships is not
40 subject to the provisions of RCW 88.16.170 through 88.16.190.

1 (5) The provisions adopted under this section may not include
2 rules affecting pilotage. This section does not affect any existing
3 authority to establish pilotage requirements.

4 (6) The definitions in this subsection apply throughout this
5 section unless the context clearly requires otherwise.

6 (a) "Articulated tug barge" means a tank barge and a towing
7 vessel joined by hinged or articulated fixed mechanical equipment
8 affixed or connecting to the stern of the tank barge.

9 (b) "Oil tanker" means a self-propelled deep draft tank vessel
10 designed to transport oil in bulk. "Oil tanker" does not include an
11 articulated tug barge tank vessel.

12 (c) "Waterborne vessel or barge" means any ship, barge, or other
13 watercraft capable of traveling on the navigable waters of this state
14 and capable of transporting any crude oil or petroleum product in
15 quantities of ten thousand gallons or more for purposes other than
16 providing fuel for its motor or engine.

17 NEW SECTION. Sec. 7. A new section is added to chapter 90.56
18 RCW to read as follows:

19 (1) The department shall evaluate and update planning standards
20 for oil spill response equipment required under contingency plans
21 required by this chapter in order to ensure access in the state to
22 equipment that represents the best achievable protection to respond
23 to a worst case spill and provide for continuous operation of oil
24 spill response activities to the maximum extent practicable and
25 without jeopardizing crew safety, as determined by the incident
26 commander or the unified command.

27 (2) The department shall place the earliest priority upon
28 updating standards that address the increased volume of different
29 types of crude oil and that address a worst case spill from
30 articulated tug barges and from other towed waterborne vessels or
31 barges.

32 **Sec. 8.** RCW 90.56.370 and 2011 c 122 s 10 are each amended to
33 read as follows:

34 (1) Any person owning oil or having control over oil that enters
35 the waters of the state in violation of RCW 90.56.320 shall be
36 strictly liable, without regard to fault, for the damages to persons
37 or property, public or private, caused by such entry.

1 (2) Damages for which responsible parties are liable under this
2 section include loss of income, net revenue, the loss of means of
3 producing income or revenue directly or indirectly attributable to
4 oil entering waters of the state, lost real property when it is
5 demonstrated to be a direct result of an oil spill, or an economic
6 benefit resulting from an injury to or loss of real or personal
7 property or natural resources.

8 (3) Damages for which responsible parties are liable under this
9 section include damages provided in subsections (1) and (2) of this
10 section resulting from: (a) The use and deployment of chemical
11 dispersants or from in situ burning in response to a violation of RCW
12 90.56.320; (b) any action conducted in response to a violation of RCW
13 90.56.320, including actions to collect, investigate, perform
14 surveillance over, remove, contain, treat, or disperse oil discharged
15 into waters of the state.

16 (4) In any action to recover damages resulting from the discharge
17 of oil in violation of RCW 90.56.320, the owner or person having
18 control over the oil shall be relieved from strict liability, without
19 regard to fault, if that person can prove that the discharge was
20 caused solely by:

21 (a) An act of war or sabotage;

22 (b) An act of God;

23 (c) Negligence on the part of the United States government; or

24 (d) Negligence on the part of the state of Washington.

25 (5) The liability established in this section shall in no way
26 affect the rights which: (a) The owner or other person having control
27 over the oil may have against any person whose acts may in any way
28 have caused or contributed to the discharge of oil, or (b) the state
29 of Washington may have against any person whose actions may have
30 caused or contributed to the discharge of oil.

31 **Sec. 9.** RCW 82.23B.020 and 2015 c 274 s 14 are each amended to
32 read as follows:

33 (1) An oil spill response tax is imposed on the privilege of
34 receiving: (a) Crude oil or petroleum products at a marine terminal
35 within this state from a waterborne vessel or barge operating on the
36 navigable waters of this state; or (b) crude oil or petroleum
37 products at a bulk oil terminal within this state from a tank car.
38 The tax imposed in this section is levied upon the owner of the crude
39 oil or petroleum products immediately after receipt of the same into

1 the storage tanks of a marine or bulk oil terminal from a tank car or
2 waterborne vessel or barge at the rate of one cent per barrel of
3 crude oil or petroleum product received.

4 (2) In addition to the tax imposed in subsection (1) of this
5 section, an oil spill administration tax is imposed on the privilege
6 of receiving: (a) Crude oil or petroleum products at a marine
7 terminal within this state from a waterborne vessel or barge
8 operating on the navigable waters of this state; or (b) crude oil or
9 petroleum products at a bulk oil terminal within this state from a
10 tank car. The tax imposed in this section is levied upon the owner of
11 the crude oil or petroleum products immediately after receipt of the
12 same into the storage tanks of a marine or bulk oil terminal from a
13 tank car or waterborne vessel or barge at the rate of four cents per
14 barrel of crude oil or petroleum product.

15 (3) In addition to the tax imposed in subsections (1) and (2) of
16 this section, an additional oil response tax is imposed on the
17 privilege of receiving crude oil at a marine or bulk oil terminal
18 within this state from a vessel, barge, rail tank car, or pipeline.
19 The tax imposed in this subsection (3) is levied upon the owner of
20 the crude oil or petroleum products immediately after receipt of the
21 same into the storage tanks of a marine or bulk oil terminal at the
22 rate of one dollar per barrel of crude oil. Credit must be allowed
23 against the taxes imposed under this subsection for any crude oil
24 that is subsequently refined within this state.

25 (4) The taxes imposed by this chapter must be collected by the
26 marine or bulk oil terminal operator from the taxpayer. If any person
27 charged with collecting the taxes fails to bill the taxpayer for the
28 taxes, or in the alternative has not notified the taxpayer in writing
29 of the taxes imposed, or having collected the taxes, fails to pay
30 them to the department in the manner prescribed by this chapter,
31 whether such failure is the result of the person's own acts or the
32 result of acts or conditions beyond the person's control, he or she,
33 nevertheless, is personally liable to the state for the amount of the
34 taxes. Payment of the taxes by the owner to a marine or bulk oil
35 terminal operator relieves the owner from further liability for the
36 taxes.

37 ~~((4))~~ (5) Taxes collected under this chapter must be held in
38 trust until paid to the department. Any person collecting the taxes
39 who appropriates or converts the taxes collected is guilty of a gross
40 misdemeanor if the money required to be collected is not available

1 for payment on the date payment is due. The taxes required by this
2 chapter to be collected must be stated separately from other charges
3 made by the marine or bulk oil terminal operator in any invoice or
4 other statement of account provided to the taxpayer.

5 ~~((+5))~~ (6) If a taxpayer fails to pay the taxes imposed by this
6 chapter to the person charged with collection of the taxes and the
7 person charged with collection fails to pay the taxes to the
8 department, the department may, in its discretion, proceed directly
9 against the taxpayer for collection of the taxes.

10 ~~((+6))~~ (7) The taxes are due from the marine or bulk oil
11 terminal operator, along with reports and returns on forms prescribed
12 by the department, within twenty-five days after the end of the month
13 in which the taxable activity occurs.

14 ~~((+7))~~ (8) The amount of taxes, until paid by the taxpayer to
15 the marine or bulk oil terminal operator or to the department,
16 constitutes a debt from the taxpayer to the marine or bulk oil
17 terminal operator. Any person required to collect the taxes under
18 this chapter who, with intent to violate the provisions of this
19 chapter, fails or refuses to do so as required and any taxpayer who
20 refuses to pay any taxes due under this chapter, is guilty of a
21 misdemeanor as provided in chapter 9A.20 RCW.

22 ~~((+8))~~ (9) Upon prior approval of the department, the taxpayer
23 may pay the taxes imposed by this chapter directly to the department.
24 The department must give its approval for direct payment under this
25 section whenever it appears, in the department's judgment, that
26 direct payment will enhance the administration of the taxes imposed
27 under this chapter. The department must provide by rule for the
28 issuance of a direct payment certificate to any taxpayer qualifying
29 for direct payment of the taxes. Good faith acceptance of a direct
30 payment certificate by a terminal operator relieves the marine or
31 bulk oil terminal operator from any liability for the collection or
32 payment of the taxes imposed under this chapter.

33 ~~((+9))~~ (10) All receipts from the tax imposed in subsection (1)
34 of this section must be deposited into the state oil spill response
35 account, RCW 90.56.500. All receipts from the tax imposed in
36 subsection (2) of this section shall be deposited into the oil spill
37 prevention account, RCW 90.56.510. All receipts from the tax imposed
38 in subsection (3) of this section must be deposited as follows:

39 (a) Fifty percent of the receipts must be deposited into the
40 state oil spill response account, RCW 90.56.500; and

1 (b) Fifty percent of the receipts must be deposited into the oil
2 refinery worker assistance account created in section 10 of this act.

3 ~~((10))~~ (11) Within forty-five days after the end of each
4 calendar quarter, the office of financial management must determine
5 the balance of the oil spill response account as of the last day of
6 that calendar quarter. Balance determinations by the office of
7 financial management under this section are final and may not be used
8 to challenge the validity of any tax imposed under this chapter. The
9 office of financial management must promptly notify the departments
10 of revenue and ecology of the account balance once a determination is
11 made. For each subsequent calendar quarter, the tax imposed by
12 subsection (1) of this section shall be imposed during the entire
13 calendar quarter unless:

14 (a) Tax was imposed under subsection (1) of this section during
15 the immediately preceding calendar quarter, and the most recent
16 quarterly balance is more than nine million dollars; or

17 (b) Tax was not imposed under subsection (1) of this section
18 during the immediately preceding calendar quarter, and the most
19 recent quarterly balance is more than eight million dollars.

20 NEW SECTION. Sec. 10. A new section is added to chapter 82.23B
21 RCW to read as follows:

22 (1) The oil refinery worker assistance account is created in the
23 state treasury. Fifty percent of the receipts from the tax imposed
24 under RCW 82.23B.020(3) must be deposited in the account. Moneys in
25 the account may be spent only after appropriation.

26 (2) Moneys in the account may be expended to assist oil refinery
27 workers whose jobs have been eliminated due to reductions in refining
28 operations at the refinery at which they were employed, including
29 reductions attributable to the export of crude oil received at the
30 refinery that would otherwise be refined at the facility. The
31 assistance may include but is not limited to training programs and
32 related support services:

33 (a) Including financial aid, counseling, referral to training
34 resources, job referral, and job development;

35 (b) That are consistent with the unified plan for workforce
36 development;

37 (c) That provide increased educational opportunities for
38 dislocated workers;

1 (d) That provide customized training opportunities for dislocated
2 workers; and

3 (e) That provide increased enrollments and support services,
4 including financial aid for those dislocated workers not receiving
5 unemployment insurance benefits, that do not replace or supplant any
6 existing enrollments, programs, support services, or funding sources.

7 NEW SECTION. **Sec. 11.** A new section is added to chapter 90.56
8 RCW to read as follows:

9 (1) Each onshore and offshore oil refinery facility proposing to
10 handle crude oil for export must revise the facility oil spill
11 prevention plan required under RCW 90.56.200 and the facility oil
12 spill contingency plan required under RCW 90.56.210 to specifically
13 address all types of crude oil planned or anticipated to be handled
14 at the facility, including crude oil from the Bakken oil fields as
15 well as diluted bitumen crude from Canada. By December 31, 2018, the
16 department must adopt by rule the required components of these plans
17 addressing handling of crude oil for export and must require that the
18 plans demonstrate best achievable protection from damages caused by
19 the discharge of oil into the waters of the state or other casualty
20 from the release, explosion, or ignition of the oil.

21 (2) No onshore or offshore refinery facility may handle crude oil
22 for export without an oil spill prevention and contingency plan
23 approved by the department.

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