
SENATE BILL 5010

State of Washington

55th Legislature

1997 Regular Session

By Senators Prentice and Winsley; by request of Pollution Liability Insurance Agency

Read first time 01/13/97. Referred to Committee on Financial Institutions, Insurance & Housing.

1 AN ACT Relating to heating oil pollution liability protection;
2 amending RCW 70.149.040 and 70.149.070; and providing an expiration
3 date.

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

5 **Sec. 1.** RCW 70.149.040 and 1995 c 20 s 4 are each amended to read
6 as follows:

7 The director shall:

8 (1) Design a program for providing pollution liability insurance
9 for heating oil tanks that provides sixty thousand dollars per
10 occurrence coverage and aggregate limits, and protects the state of
11 Washington from unwanted or unanticipated liability for accidental
12 release claims;

13 (2) Administer, implement, and enforce the provisions of this
14 chapter. To assist in administration of the program, the director is
15 authorized to appoint up to two employees who are exempt from the civil
16 service law, chapter 41.06 RCW, and who shall serve at the pleasure of
17 the director;

18 (3) Administer the heating oil pollution liability trust account,
19 as established under RCW 70.149.070;

1 (4) Employ and discharge, at his or her discretion, agents,
2 attorneys, consultants, companies, organizations, and employees as
3 deemed necessary, and to prescribe their duties and powers, and fix
4 their compensation;

5 (5) Adopt rules under chapter 34.05 RCW as necessary to carry out
6 the provisions of this chapter;

7 (6) Design and from time to time revise a reinsurance contract
8 providing coverage to an insurer or insurers meeting the requirements
9 of this chapter. The director is authorized to provide reinsurance
10 through the pollution liability insurance ((agency)) program trust
11 account;

12 (7) Solicit bids from insurers and select an insurer to provide
13 pollution liability insurance for third-party bodily injury and
14 property damage, and corrective action to owners and operators of
15 heating oil tanks;

16 (8) Register, and design a means of accounting for, operating
17 heating oil tanks;

18 (9) Implement a program to provide informal advice and technical
19 assistance to owners and operators of active and abandoned heating oil
20 tanks if contamination from a heating oil tank is suspected. Informal
21 advice and assistance regarding administrative and technical
22 requirements may include observation of testing or site assessment and
23 review of the results of reports. If the director finds that
24 contamination is not present or that the contamination is apparently
25 minor and not a threat to human health or the environment, the director
26 may provide written opinions on the results of the investigation to
27 heating oil tank owners and operators. Such advice or assistance is
28 advisory only and is not binding on other state or local government
29 entities. The agency is authorized to collect, from persons requesting
30 advice and assistance, the costs incurred by the agency in providing
31 such advice and assistance. The costs may include travel costs and
32 expenses associated with review of reports and preparation of written
33 opinions. Funds from cost reimbursement must be deposited in the
34 heating oil pollution liability trust account. The state of
35 Washington, the pollution liability insurance agency, and its officers
36 and employees are immune from all liability, and no cause of action
37 arises from any act or omission in providing, or failing to provide,
38 such advice, opinion, or assistance; and

1 (10) Establish a public information program to publish information
2 regarding liability, technical, and environmental requirements
3 associated with heating oil tanks.

4 **Sec. 2.** RCW 70.149.070 and 1995 c 20 s 7 are each amended to read
5 as follows:

6 (1) The heating oil pollution liability trust account is created in
7 the custody of the state treasurer. All receipts from the pollution
8 liability insurance fee collected under RCW 70.149.080 and reinsurance
9 premiums shall be deposited into the account. Expenditures from the
10 account may be used only for the purposes set out under this chapter.
11 Only the director or the director's designee may authorize expenditures
12 from the account. The account is subject to allotment procedures under
13 chapter 43.88 RCW, but no appropriation is required for expenditures.
14 Any residue in the account shall be transferred at the end of the
15 biennium to the pollution liability insurance ((agency)) program trust
16 account.

17 (2) Money in the account may be used by the director for the
18 following purposes:

19 (a) Corrective action costs;

20 (b) Third-party liability claims;

21 (c) Costs associated with claims administration;

22 (d) Purchase of an insurance policy to cover all registered heating
23 oil tanks, and reinsurance of the policy; and

24 (e) Administrative expenses of the program, including personnel,
25 equipment, ((and)) supplies, and providing informal advice and
26 technical assistance.

27 NEW SECTION. **Sec. 3.** This act expires June 1, 2001.

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