## <u>SB 5552</u> - S AMD 266

By Senator Rockefeller

Strike everything after the enacting clause and insert the following:

3 "Sec. 1. RCW 43.21B.300 and 2004 c 204 s 4 are each amended to 4 read as follows:

(1) Any civil penalty provided in RCW 18.104.155, 70.94.431, 5 6 70.105.080, 70.107.050, 88.46.090, 90.03.600, 90.48.144, 90.56.310, and 7 90.56.330 shall be imposed by a notice in writing, either by certified 8 mail with return receipt requested or by personal service, to the 9 person incurring the penalty from the department or the local air authority, describing the violation with reasonable particularity. 10 11 Within thirty days after the notice is received, the person incurring 12 the penalty may apply in writing to the department or the authority for 13 the remission or mitigation of the penalty. Upon receipt of the 14 application, the department or authority may remit or mitigate the 15 penalty upon whatever terms the department or the authority in its 16 discretion deems proper. The department or the authority may ascertain the facts regarding all such applications in such reasonable manner and 17 18 under such rules as it may deem proper and shall remit or mitigate the penalty only upon a demonstration of extraordinary circumstances such 19 20 as the presence of information or factors not considered in setting the 21 original penalty.

(2) Any penalty imposed under this section may be appealed to the pollution control hearings board in accordance with this chapter if the appeal is filed with the hearings board and served on the department or authority thirty days after the date of receipt by the person penalized of the notice imposing the penalty or thirty days after the date of receipt of the notice of disposition of the application for relief from penalty.

29 (3) A penalty shall become due and payable on the later of:

30 (a) Thirty days after receipt of the notice imposing the penalty;

(b) Thirty days after receipt of the notice of disposition on application for relief from penalty, if such an application is made; or (c) Thirty days after receipt of the notice of decision of the hearings board if the penalty is appealed.

5 (4) If the amount of any penalty is not paid to the department within thirty days after it becomes due and payable, the attorney 6 7 general, upon request of the department, shall bring an action in the name of the state of Washington in the superior court of Thurston 8 9 county, or of any county in which the violator does business, to recover the penalty and interest, costs, and attorneys' fees. 10 If the amount of the penalty is not paid to the authority within thirty days 11 after it becomes due and payable, the authority may bring an action to 12 recover the penalty and interest, costs, and attorneys' fees in the 13 superior court of the county of the authority's main office or of any 14 county in which the violator does business. 15 In these actions, the procedures and rules of evidence shall be the same as in an ordinary 16 17 civil action for all issues arising after the penalty has become final.

(5) All penalties recovered shall be paid into the state treasury 18 19 and credited to the general fund except those penalties imposed pursuant to RCW 18.104.155, which shall be credited to the reclamation 20 21 as provided in RCW 18.104.155(7), RCW 70.94.431, the account 22 disposition of which shall be governed by that provision, RCW 23 70.105.080, which shall be credited to the hazardous waste control and 24 elimination account, created by RCW 70.105.180, and RCW 90.56.330, 25 which shall be credited to the coastal protection fund created by RCW 90.48.390. 26

27 **Sec. 2.** RCW 88.40.011 and 2003 c 56 s 2 are each amended to read 28 as follows:

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

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

32 (2) "Cargo vessel" means a self-propelled ship in commerce, other 33 than a tank vessel, fishing vessel, or a passenger vessel, of three 34 hundred or more gross tons.

(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.

1 (4) "Covered vessel" means a tank vessel, cargo vessel, or 2 passenger vessel.

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

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

5 (7)(a) "Facility" means any structure, group of structures, 6 equipment, pipeline, or device, other than a vessel, located on or near 7 the navigable waters of the state that transfers oil in bulk to or from 8 any vessel with an oil carrying capacity over two hundred fifty barrels 9 or pipeline, that is used for producing, storing, handling, 10 transferring, processing, or transporting oil in bulk.

(b) A facility does not include any: (i) Railroad car, motor 11 vehicle, or other rolling stock while transporting oil over the 12 highways or rail lines of this state; (ii) retail motor vehicle motor 13 fuel outlet; (iii) facility that is operated as part of an exempt 14 agricultural activity as provided in RCW 82.04.330; (iv) underground 15 16 storage tank regulated by the department or a local government under 17 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 18 covered vessel, in a single transaction. 19

20 (8) "Fishing vessel" means a self-propelled commercial vessel of 21 three hundred or more gross tons that is used for catching or 22 processing fish.

(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) 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:

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

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

33 (11) "Navigable waters of the state" means those waters of the 34 state, and their adjoining shorelines, that are subject to the ebb and 35 flow of the tide and/or are presently used, have been used in the past, 36 or may be susceptible for use to transport intrastate, interstate, or 37 foreign commerce.

(12) "Oil" or "oils" means oil of any ((naturally occurring)) kind 1 2 that is liquid ((hydrocarbons)) at atmospheric temperature and pressure ((coming from the earth, including condensate and natural gasoline,)) 3 and any fractionation thereof, including, but not limited to, crude 4 5 oil, petroleum, gasoline, fuel oil, diesel oil, oil sludge, oil refuse, biological oils and blends, and oil mixed with wastes other than б 7 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 8 9 101(14) of the federal comprehensive environmental response, compensation, and liability act of 1980, as amended by P.L. 99-499. 10

(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.

32 (17) "Ship" means any boat, ship, vessel, barge, or other floating33 craft of any kind.

34 (18) "Spill" means an unauthorized discharge of oil into the waters 35 of the state.

36 (19) "Tank vessel" means a ship that is constructed or adapted to 37 carry, or that carries, oil in bulk as cargo or cargo residue, and 38 that:

- 1
- (a) Operates on the waters of the state; or

2 (b) Transfers oil in a port or place subject to the jurisdiction of 3 this state.

4 (20) "Waters of the state" includes lakes, rivers, ponds, streams,
5 inland waters, underground water, salt waters, estuaries, tidal flats,
6 beaches and lands adjoining the seacoast of the state, sewers, and all
7 other surface waters and watercourses within the jurisdiction of the
8 state of Washington.

9 **Sec. 3.** RCW 88.46.010 and 2000 c 69 s 1 are each amended to read 10 as follows:

11 Unless the context clearly requires otherwise, the definitions in 12 this section apply throughout this chapter.

(1) "Best achievable protection" means the highest level of 13 protection that can be achieved through the use of the best achievable 14 and those staffing levels, training procedures, and 15 technology 16 operational methods that provide the greatest degree of protection achievable. The director's determination of best achievable protection 17 shall be guided by the critical need to protect the state's natural 18 19 resources and waters, while considering (a) the additional protection provided by the measures; (b) the technological achievability of the 20 measures; and (c) the cost of the measures. 21

(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) "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.

(4) "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.

36 (5) "Covered vessel" means a tank vessel, cargo vessel, or 37 passenger vessel. 1 (6) "Department" means the department of ecology.

2 (7) "Director" means the director of the department of ecology.

3 (8) "Discharge" means any spilling, leaking, pumping, pouring,
4 emitting, emptying, or dumping.

5 (9)(a) "Facility" means any structure, group of structures, 6 equipment, pipeline, or device, other than a vessel, located on or near 7 the navigable waters of the state that transfers oil in bulk to or from 8 a tank vessel or pipeline, that is used for producing, storing, 9 handling, transferring, processing, or transporting oil in bulk.

(b) A facility does not include any: (i) Railroad car, motor 10 vehicle, or other rolling stock while transporting oil over the 11 highways or rail lines of this state; (ii) retail motor vehicle motor 12 13 fuel outlet; (iii) facility that is operated as part of an exempt agricultural activity as provided in RCW 82.04.330; (iv) underground 14 storage tank regulated by the department or a local government under 15 chapter 90.76 RCW; or (v) marine fuel outlet that does not dispense 16 17 more than three thousand gallons of fuel to a ship that is not a covered vessel, in a single transaction. 18

19 (10) "Marine facility" means any facility used for tank vessel 20 wharfage or anchorage, including any equipment used for the purpose of 21 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.

27 (12) "Oil" or "oils" means oil of any ((naturally occurring)) kind that is liquid ((hydrocarbons)) at atmospheric temperature and pressure 28 ((coming from the earth, including condensate and natural gasoline,)) 29 and any fractionation thereof, including, but not limited to, crude 30 oil, petroleum, gasoline, fuel oil, diesel oil, oil sludge, oil refuse, 31 32 biological oils and blends, and oil mixed with wastes other than dredged spoil. Oil does not include any substance listed in Table 33 302.4 of 40 C.F.R. Part 302 adopted August 14, 1989, under section 34 101(14) of the federal comprehensive environmental 35 response, compensation, and liability act of 1980, as amended by P.L. 99-499. 36

(13) "Offshore facility" means any facility located in, on, orunder any of the navigable waters of the state, but does not include a

1 facility any part of which is located in, on, or under any land of the 2 state, other than submerged land. "Offshore facility" does not include 3 a marine facility.

4 (14) "Onshore facility" means any facility any part of which is 5 located in, on, or under any land of the state, other than submerged 6 land, that because of its location, could reasonably be expected to 7 cause substantial harm to the environment by discharging oil into or on 8 the navigable waters of the state or the adjoining shorelines.

9 (15)(a) "Owner or operator" means (i) in the case of a vessel, any 10 person owning, operating, or chartering by demise, the vessel; (ii) in 11 the case of an onshore or offshore facility, any person owning or 12 operating the facility; and (iii) in the case of an abandoned vessel or 13 onshore or offshore facility, the person who owned or operated the 14 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.

18 (16) "Passenger vessel" means a ship of three hundred or more gross 19 tons with a fuel capacity of at least six thousand gallons carrying 20 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.

(18) "Ship" means any boat, ship, vessel, barge, or other floatingcraft of any kind.

26 (19) "Spill" means an unauthorized discharge of oil into the waters 27 of the state.

(20) "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:

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

32 (b) Transfers oil in a port or place subject to the jurisdiction of 33 this state.

(21) "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.

1 (22) "Worst case spill" means: (a) In the case of a vessel, a 2 spill of the entire cargo and fuel of the vessel complicated by adverse 3 weather conditions; and (b) in the case of an onshore or offshore 4 facility, the largest foreseeable spill in adverse weather conditions.

5 **Sec. 4.** RCW 90.48.144 and 1995 c 403 s 636 are each amended to 6 read as follows:

7 Except as provided in RCW 43.05.060 through 43.05.080 and 8 43.05.150, every person who:

9 (1) Violates the terms or conditions of a waste discharge permit 10 issued pursuant to RCW 90.48.180 or 90.48.260 through 90.48.262, or

(2) Conducts a commercial or industrial operation or other point source discharge operation without a waste discharge permit as required by RCW 90.48.160 or 90.48.260 through 90.48.262, or

(3) Violates the provisions of RCW 90.48.080, or other sections of 14 15 this chapter or chapter 90.56 RCW, except for RCW 90.56.320, or rules 16 or orders adopted or issued pursuant to either of those chapters, except those concerning RCW 90.56.320, shall incur, in addition to any 17 other penalty as provided by law, a penalty in an amount of up to ten 18 thousand dollars a day for every such violation. Each and every such 19 20 violation shall be a separate and distinct offense, and in case of a 21 continuing violation, every day's continuance shall be and be deemed to be a separate and distinct violation. 22 Every act of commission or 23 omission which procures, aids or abets in the violation shall be 24 considered a violation under the provisions of this section and subject to the penalty herein provided for. The penalty amount shall be set in 25 26 consideration of the previous history of the violator and the severity of the violation's impact on public health and/or the environment in 27 28 addition to other relevant factors. The penalty herein provided for shall be imposed pursuant to the procedures set forth in RCW 29 30 43.21B.300.

31 **Sec. 5.** RCW 90.48.366 and 1994 sp.s. c 9 s 855 are each amended to 32 read as follows:

By July 1, 1991, the department, in consultation with the departments of  $((fisheries_{\tau}))$  fish and wildlife $((\tau))$  and natural resources, and the parks and recreation commission, shall adopt rules establishing a compensation schedule for the discharge of oil in

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violation of this chapter and chapter 90.56 RCW. The amount of 1 2 compensation assessed under this schedule shall be no less than one dollar per gallon of oil spilled and no greater than ((fifty)) one 3 hundred dollars per gallon of oil spilled, and beginning on January 1, 4 2008, the maximum per gallon compensation assessment shall increase 5 annually by the fiscal growth factor calculated by the office of 6 financial management under RCW 43.135.025. The compensation schedule 7 shall reflect adequate compensation for unquantifiable damages or for 8 not quantifiable at reasonable cost any adverse 9 damages for environmental, recreational, aesthetic, or other effects caused by the 10 spill and shall take into account: 11

(1) Characteristics of any oil spilled, such as toxicity, dispersibility, solubility, and persistence, that may affect the severity of the effects on the receiving environment, living organisms, and recreational and aesthetic resources;

(2) The sensitivity of the affected area as determined by such 16 17 factors as: (a) The location of the spill; (b) habitat and living resource sensitivity; (c) seasonal distribution or sensitivity of 18 living resources; (d) areas of recreational use or 19 aesthetic importance; (e) the proximity of the spill to important habitats for 20 21 birds, aquatic mammals, fish, or to species listed as threatened or 22 endangered under state or federal law; (f) significant archaeological resources as determined by the ((office)) department of archaeology and 23 24 historic preservation; and (g) other areas of special ecological or 25 recreational importance, as determined by the department((. If the department has adopted rules for a compensation table prior to July 1, 26 27 1992, the sensitivity of significant archaeological resources shall only be included among factors to be used in the compensation table 28 when the department revises the rules for the compensation table after 29 30 July 1, 1992)); and

(3) Actions taken by the party who spilled oil or any party liable for the spill that: (a) Demonstrate a recognition and affirmative acceptance of responsibility for the spill, such as the immediate removal of oil and the amount of oil removed from the environment; or (b) enhance or impede the detection of the spill, the determination of the quantity of oil spilled, or the extent of damage, including the unauthorized removal of evidence such as injured fish or wildlife. 1 Sec. 6. RCW 90.48.367 and 1991 c 200 s 813 are each amended to 2 read as follows:

3 (1) After a spill or other incident causing damages to the natural
4 resources of the state, the department shall conduct a formal
5 preassessment screening as provided in RCW 90.48.368.

(2) The department shall use the compensation schedule established 6 7 under RCW 90.48.366 to determine the amount of damages if the preassessment screening committee determines that: (a) Restoration or 8 enhancement of the injured resources is not technically feasible; (b) 9 10 damages are not quantifiable at a reasonable cost; and (c) the restoration and enhancement projects or studies proposed by the liable 11 parties are insufficient to adequately compensate the people of the 12 13 state for damages.

14 (3) If the preassessment screening committee determines that the 15 compensation schedule should not be used, compensation shall be 16 assessed for the amount of money necessary to restore any damaged 17 resource to its condition before the injury, to the extent technically 18 feasible, and compensate for the lost value incurred during the period 19 between injury and restoration.

(4) Restoration shall include the cost to restock such waters, 20 21 replenish or replace such resources, and otherwise restore the stream, 22 lake, or other waters of the state, including any estuary, ocean area, submerged lands, shoreline, bank, or other lands adjoining such waters 23 24 to its condition before the injury, as such condition is determined by 25 the department. The lost value of a damaged resource shall be equal to the sum of consumptive, nonconsumptive, and indirect use values, as 26 27 well as lost taxation, leasing, and licensing revenues. Indirect use values may include existence, bequest, option, and aesthetic values. 28 Damages shall be determined by generally accepted and cost-effective 29 procedures, including, but not limited to, contingent valuation method 30 studies. 31

(5) Compensation assessed under this section <u>and interest, costs</u>, and <u>attorneys' fees</u> shall be recoverable in an action brought by the attorney general on behalf of the people of the state of Washington and affected counties and cities in the superior court of Thurston county or any county in which damages occurred. Moneys recovered by the attorney general under this section shall be deposited in the coastal protection fund established under RCW 90.48.390, and shall only be used for the purposes stated in RCW 90.48.400.

3 (6) Compensation assessed under this section shall preclude claims
4 under this chapter by local governments for compensation for damages to
5 publicly owned resources resulting from the same incident.

6 **Sec. 7.** RCW 90.48.368 and 1994 c 264 s 92 are each amended to read 7 as follows:

8 (1) The department shall adopt rules establishing a formal process for preassessment screening of damages resulting from spills to the 9 waters of the state causing the death of, or injury to, fish, animals, 10 11 vegetation, or other resources of the state. The rules shall specify the conditions under which the department shall convene a preassessment 12 screening committee. The preassessment screening process shall occur 13 concurrently with reconnaissance activities. The committee shall use 14 information obtained from reconnaissance activities as well as any 15 16 other relevant resource and resource use information. For each 17 incident, the committee shall determine whether a damage assessment investigation should be conducted, or, whether the compensation 18 schedule authorized under RCW 90.48.366 and 90.48.367 should be used to 19 20 assess damages. The committee may accept restoration or enhancement 21 projects or studies proposed by the liable parties in lieu of some or all of: (a) The compensation schedule authorized under RCW 90.48.366 22 23 and 90.48.367; or (b) the claims from damage assessment studies authorized under RCW 90.48.142. 24

A preassessment screening committee 25 (2) may consist of 26 representatives of the departments of ecology, <u>archaeology and historic</u> preservation, fish and wildlife, <u>health</u>, and natural resources, 27 ((social and health services, and emergency management,)) and the parks 28 and recreation commission, ((the office of archaeology and historic 29 30 preservation,)) as well as other federal, state, and local agencies, 31 and tribal and local governments whose presence would enhance the reconnaissance or damage assessment aspects of spill response. 32 The department shall chair the committee and determine which 33 representatives will be needed on a spill-by-spill basis. 34

35 (3) The committee shall consider the following factors when 36 determining whether a damage assessment study authorized under RCW 37 90.48.367 should be conducted: (a) Whether evidence from

reconnaissance investigations suggests that injury has occurred or is 1 2 likely to occur to publicly owned resources; (b) the potential loss in services provided by resources injured or likely to be injured and the 3 expected value of the potential loss; (c) whether a restoration project 4 to return lost services is technically feasible; (d) the accuracy of 5 damage quantification methods that could be used and the anticipated б 7 cost-effectiveness of applying each method; (e) the extent to which be verified with 8 likely injury to resources can available quantification methods; and (f) whether the injury, once quantified, 9 can be translated into monetary values with sufficient precision or 10 11 accuracy.

12 (4) When a resource damage assessment is required for an oil spill 13 in the ((navigable)) waters of the state, as defined in RCW 90.56.010, 14 the state trustee agency responsible for the resource and habitat 15 damaged shall conduct the damage assessment and pursue all appropriate 16 remedies with the responsible party.

17 (5) Oil spill damage assessment studies authorized under RCW 90.48.367 may only be conducted if the committee, after considering the 18 factors enumerated in subsection (3) of this section, determines that 19 the damages to be investigated are quantifiable at a reasonable cost 20 21 that proposed assessment studies clearly and are linked to 22 quantification of the damages incurred.

(6) As new information becomes available, the committee may reevaluate the scope of damage assessment using the factors listed in subsection (3) of this section and may reduce or expand the scope of damage assessment as appropriate.

(7) The preassessment screening process shall provide for the ongoing involvement of persons who may be liable for damages resulting from an oil spill. The department may negotiate with a potentially liable party to perform restoration and enhancement projects or studies which may substitute for all or part of the compensation authorized under RCW 90.48.366 and 90.48.367 or the damage assessment studies authorized under RCW 90.48.367.

34 (8) For the purposes of this section and RCW 90.48.367, the cost of 35 a damage assessment shall be considered "reasonable" when the 36 anticipated cost of the damage assessment is expected to be less than 37 the anticipated damage that may have occurred or may occur.

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1 **Sec. 8.** RCW 90.56.010 and 2000 c 69 s 15 are each amended to read 2 as follows:

For purposes of this chapter, the following definitions shall applyunless the context indicates otherwise:

5 (1) "Best achievable protection" means the highest level of protection that can be achieved through the use of the best achievable 6 7 technology and those staffing levels, training procedures, and operational methods that provide the greatest degree of protection 8 achievable. The director's determination of best achievable protection 9 shall be quided by the critical need to protect the state's natural 10 resources and waters, while considering (a) the additional protection 11 provided by the measures; (b) the technological achievability of the 12 13 measures; and (c) the cost of the measures.

14 (2) "Best achievable technology" means the technology that provides 15 the greatest degree of protection taking into consideration (a) 16 processes that are being developed, or could feasibly be developed, 17 given overall reasonable expenditures on research and development, and 18 (b) processes that are currently in use. In determining what is best 19 achievable technology, the director shall consider the effectiveness, 20 engineering feasibility, and commercial availability of the technology.

21

(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.

(6) "Committee" means the preassessment screening committeeestablished under RCW 90.48.368.

31 (7) "Covered vessel" means a tank vessel, cargo vessel, or 32 passenger vessel.

33 (8) "Department" means the department of ecology.

34 (9) "Director" means the director of the department of ecology.

(10) "Discharge" means any spilling, leaking, pumping, pouring,emitting, emptying, or dumping.

37 (11)(a) "Facility" means any structure, group of structures,
38 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: 4 (i) Railroad car, motor 5 vehicle, or other rolling stock while transporting oil over the highways or rail lines of this state; (ii) underground storage tank 6 7 regulated by the department or a local government under chapter 90.76 RCW; (iii) motor vehicle motor fuel outlet; (iv) facility that is 8 9 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 10 three thousand gallons of fuel to a ship that is not a covered vessel, 11 in a single transaction. 12

13 (12) "Fund" means the state coastal protection fund as provided in 14 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.

19 (14) "Marine facility" means any facility used for tank vessel 20 wharfage or anchorage, including any equipment used for the purpose of 21 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 ((naturally occurring)) oil of any kind that is liquid ((hydrocarbons)) at atmospheric temperature and pressure ((coming from the earth, including condensate and natural gasoline,)) and any fractionation thereof, including, but not limited to, crude oil, petroleum, gasoline, fuel oil, diesel oil, oil sludge, oil refuse, biological oils and blends, and oil mixed with wastes other than dredged spoil. Oil does not include any substance listed in Table 302.4 of 40 C.F.R. Part 302 adopted August 14, 1989, under section 101(14) of the federal comprehensive environmental response, compensation, and liability act of 1980, as amended by P.L. 99-499.

6 (18) "Offshore facility" means any facility located in, on, or 7 under any of the navigable waters of the state, but does not include a 8 facility any part of which is located in, on, or under any land of the 9 state, other than submerged land.

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

(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.

30 (23) "Ship" means any boat, ship, vessel, barge, or other floating 31 craft of any kind.

32 (24) "Spill" means an unauthorized discharge of oil or hazardous33 substances into the waters of the state.

34 (25) "Tank vessel" means a ship that is constructed or adapted to 35 carry, or that carries, oil in bulk as cargo or cargo residue, and 36 that:

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

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

3 (26) "Waters of the state" includes lakes, rivers, ponds, streams,
4 inland waters, underground water, salt waters, estuaries, tidal flats,
5 beaches and lands adjoining the seacoast of the state, sewers, and all
6 other surface waters and watercourses within the jurisdiction of the
7 state of Washington.

8 (27) "Worst case spill" means: (a) In the case of a vessel, a 9 spill of the entire cargo and fuel of the vessel complicated by adverse 10 weather conditions; and (b) in the case of an onshore or offshore 11 facility, the largest foreseeable spill in adverse weather conditions.

12 **Sec. 9.** RCW 90.56.320 and 1990 c 116 s 17 are each amended to read 13 as follows:

(1) It shall be unlawful, except under the circumstances hereafter 14 described in this section, for oil to enter the waters of the state 15 16 from any ship or any fixed or mobile facility or installation located 17 offshore or onshore whether publicly or privately operated, regardless of the cause of the entry or fault of the person having control over 18 the oil, or regardless of whether it be the result of intentional or 19 20 negligent conduct, accident or other cause. This section shall not 21 apply to discharges of oil in the following circumstances:

((<del>(1)</del>)) <u>(a)</u> The person discharging was expressly authorized to do so by the department prior to the entry of the oil into state waters; or

25 (((2))) (b) The person discharging was authorized to do so by 26 operation of law as provided in RCW 90.48.200.

27 (2) Any person who violates this section shall incur a penalty of up to fifty thousand dollars a day, in addition to any other penalties 28 provided by law. Each violation shall be a separate and distinct 29 offense, and in case of a continuing violation, every day's continuance 30 shall be a separate violation. Every act of commission or omission 31 that procures, aids, or abets in the violation shall be considered a 32 violation under the provisions of this section and is subject to the 33 foregoing penalty. The penalty shall be set in consideration of the 34 violator's previous history and the severity of the violation's impact 35 36 on public health and/or the environment in addition to other relevant

1 <u>factors, including those specified in RCW 90.56.330</u>. The penalty in 2 <u>this section shall be imposed pursuant to the procedures in RCW</u>

3 <u>43.21B.300.</u>

4 **Sec. 10.** RCW 90.56.330 and 1992 c 73 s 36 are each amended to read 5 as follows:

6 Except as otherwise provided in RCW 90.56.390, any person who 7 negligently discharges oil, or causes or permits the entry of the same, shall incur, in addition to any other penalty as provided by law, a 8 penalty in an amount of up to ((twenty)) one hundred thousand dollars 9 for every such violation, and for each day the spill poses risks to the 10 11 environment as determined by the director. Any person who intentionally or recklessly discharges or causes or permits the entry 12 of oil into the waters of the state shall incur, in addition to any 13 other penalty authorized by law, a penalty of up to ((one)) five 14 hundred thousand dollars for every such violation and for each day the 15 16 spill poses risks to the environment as determined by the director. 17 The amount of the penalty shall be determined by the director after taking into consideration the size of the business of the violator, the 18 gravity of the violation, the previous record of the violator in 19 20 complying, or failing to comply, with the provisions of chapter 90.48 21 RCW, the speed and thoroughness of the collection and removal of the oil, and such other considerations as the director deems appropriate. 22 Every act of commission or omission which procures, aids or abets in 23 24 the violation shall be considered a violation under the provisions of this section and subject to the penalty herein provided for. 25 The 26 penalty herein provided for shall be imposed pursuant to RCW 43.21B.300. 27

28 **Sec. 11.** RCW 90.56.400 and 1992 c 73 s 39 are each amended to read 29 as follows:

The department shall investigate each activity or project conducted under RCW 90.56.350 to determine, if possible, the circumstances surrounding the entry of oil into waters of the state and the person or persons allowing said entry or responsible for the act or acts which result in said entry. Whenever it appears to the department, after investigation, that a specific person or persons are responsible for the necessary expenses incurred by the state pertaining to a project or

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activity as specified in RCW 90.56.360, the department shall notify 1 said person or persons by appropriate order. The department may not 2 issue an order pertaining to a project or activity which was completed 3 more than five years prior to the date of the proposed issuance of the 4 The order shall state the findings of the department, the 5 order. amount of necessary expenses incurred in conducting the project or 6 activity, and a notice that said amount is due and payable immediately 7 upon receipt of said order. The department may, upon application from 8 the recipient of an order received within thirty days from the receipt 9 of the order, reduce or set aside in its entirety the amount due and 10 payable, when it appears from the application, and from any further 11 12 investigation the department may desire to undertake, that a reduction 13 or setting aside is just and fair under all the circumstances. If the amount specified in the order issued by the department notifying said 14 person or persons is not paid within thirty days after receipt of 15 notice imposing the same, or if an application has been made within 16 17 thirty days as herein provided and the amount provided in the order issued by the department subsequent to such application is not paid 18 within fifteen days after receipt thereof, the attorney general, upon 19 request of the department, shall bring an action on behalf of the state 20 21 in the superior court of Thurston county or any county in which the 22 person to which the order is directed does business, or in any other court of competent jurisdiction, to recover the amount specified in the 23 24 final order of the department and the interest, costs, and attorneys' No order issued under this section shall be construed as an 25 fees. 26 order within the meaning of RCW 43.21B.310 and shall not be appealable 27 to the hearings board. In any action to recover necessary expenses as herein provided said person shall be relieved from liability for 28 necessary expenses if the person can prove that the oil to which the 29 necessary expenses relate entered the waters of the state by causes set 30 forth in RCW 90.56.370(2)." 31

On page 1, line 1 of the title, after "oil;" strike the remainder of the title and insert "amending RCW 43.21B.300, 88.40.011, 88.46.010, 90.48.144, 90.48.366, 90.48.367, 90.48.368, 90.56.010, 90.56.320, 90.56.330, and 90.56.400; and prescribing penalties."

<u>EFFECT:</u> Adds provisions: (1) Revising definition of "oil" to conform to definition in Federal Oil Pollution Act of 1990, including biological oils and blends; (2) adding annual fiscal growth factor escalator for maximum per gallon oil spill damage assessment; (3) setting strict liability penalty of up to \$50,000 a day, increased from current penalty limit of \$10,000 a day; (4) authorizing Department of Ecology to recover interest, costs, and attorneys' fees, in addition to penalty, in action to collect penalty after 30 day appeal period ends; (5) clarifying that once penalty order becomes final such that it is "due and payable," violator cannot relitigate merits of underlying penalty order; and (6) making technical correction clarifying that natural resource damage assessment applies to all waters of the state, not just navigable waters.

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