

# SENATE BILL REPORT

## SB 6524

---

---

As of February 4, 2014

**Title:** An act relating to the safety of the transport of hazardous materials.

**Brief Description:** Concerning the safety of the transport of hazardous materials.

**Sponsors:** Senators Ericksen, Sheldon, Benton, Baumgartner, Holmquist Newbry, Braun, Parlette and Dammeier.

**Brief History:**

**Committee Activity:** Energy, Environment & Telecommunications: 2/04/14.

---

### SENATE COMMITTEE ON ENERGY, ENVIRONMENT & TELECOMMUNICATIONS

**Staff:** Jan Odano (786-7486)

**Background:** The Legislature enacted oil spill prevention and response measures in 1990 to promote the safety of marine transportation and protect state waters from oil spills. The Director of the Department of Ecology (Ecology) has the primary authority to oversee prevention, abatement, response, containment, and clean-up efforts for oil spills in state waters. The oil spill program requires oil spill prevention plans, contingency response plans, and documentation of financial responsibility for vessels and facilities that may discharge oil into navigable waters.

Owners and operators of onshore and offshore facilities must prepare and submit oil spill contingency and prevention plans. The contingency plan must meet standards identified by Ecology and provide for the containment and cleanup of oil spills into the waters of the state. The plans are valid for five years and may be combined into a single document. A facility is, with a few exceptions, a structure, a pipeline, a device, or equipment located on or near state waters that transfers oil to or from a vessel or pipeline. All covered vessels and facilities must have an oil spill contingency plan on file with Ecology. The contingency plan is a legally binding agreement on the party submitting the plan. A covered vessel is a tank vessel, cargo vessel weighing over 30 gross tons, or passenger vessel weighing over 300 gross tons. A tank vessel is a ship that is constructed to carry bulk oil as cargo.

As part of certain contingency plans, geographic response plans (GRPs) must be developed. GRPs are site-specific strategies to respond to a spill of oil or oil product on water. GRPs address the risk of spills from ships, refineries and facilities, pipelines, rail, dams, highways,

---

*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.*

and other transportation-related sources. The purpose of a GRP is to provide guidance to a responder in the event of a spill, to ensure the response is fast and effective, and to protect sensitive resources. GRPs are developed in partnership with Ecology, the Oregon Department of Environmental Quality, the U.S. Coast Guard, and the U.S. Environmental Protection Agency (EPA). Currently there are 34 GRPs that cover all coastal and some inland water areas.

The National Oil and Hazardous Substances Pollution Contingency Plan (NCP) contains the federal government's framework and operative requirements for responding to an oil spill and releases of hazardous substances. The NCP regulations are enforceable through the Clean Water Act; the Comprehensive Environmental Response, Compensation, and Liability Act; and the Oil Pollution Act.

Federal jurisdiction for oil spill prevention and preparedness is determined by the potential sources of oil spills, e.g., vessels, facilities, and pipelines. For example, the EPA has jurisdiction over onshore, non-transportation facilities, whereas the United States Coast Guard and Department of Transportation (USDOT) have jurisdiction over onshore transportation facilities and deepwater ports. For offshore pipelines, transmission lines, and inland pipelines, the Pipeline and Materials Hazardous Safety Administration within USDOT has jurisdiction.

**Summary of Bill:** Ecology, in consultation with the Utilities and Transportation Commission (UTC), the Federal Railroad Administration, and industry experts, must conduct a study of the safety of transporting oil and hazardous materials over land. The study must include a review of:

- federal, state, and local emergency response and spill prevention programs with a focus on high hazard areas where emergency response equipment can be strategically placed for use by these agencies;
- local jurisdiction capacity for preventing and responding to oil and hazardous materials spills;
- weaknesses or gaps in federal, state, and local government oil and hazardous materials spill prevention and response activities; and
- federal regulations governing oil and hazardous materials spill prevention and response for terrestrial transporters of oil and hazardous materials.

The study must include a survey of local government funding, sources of funding, and regional or countywide cooperative agreements implementing oil and hazardous materials spill prevention and response programs. In addition, the study must have recommendations for legislative consideration that include levels of funding, appropriate use of funds, methods to increase cooperation and coordination among organizations responding to spills, and sharing resources or mutual aid. Ecology must deliver the final report and recommendations to the Legislature by December 31, 2014.

By December 31, 2014, Ecology must conduct a study and deliver a final report on the safety of transporting oil and hazardous materials through waters of the state. The study must include a review of:

- the status of water-borne oil spill and hazardous materials spill prevention and preparedness;

- the capacity of Ecology to address increased water-borne traffic;
- weaknesses and gaps in state and local spill prevention and response;
- federal regulations; and
- barge and tug operations related to the movement of hydrocarbons.

The study must include a detailed evaluation of oil and hazardous materials spill prevention and preparedness in the state. This must include the adequacy of state and local programs, a description of risks and potential areas of concern where increased spill prevention and response activities are needed, and a description of oil spill response organizations available for spill prevention and response and their level of readiness.

Ecology must make available on its website descriptions of spill prevention and contingency programs, responses to public concerns regarding spills, and information and updates on efforts to clean up a spill.

Ecology must provide to the Legislature by December 1, 2016, a review of all state and federal contingency plans and annual updates on the progress made toward completing the plans. Ecology must contract with eligible third parties when practicable, to ensure 50 percent of the contingency plans are complete by December 1, 2016.

Ecology and the UTC must hold a symposium on emergency spill prevention and response activities for oil and hazardous materials transported in the Pacific Northwest region. The symposium must address cooperative emergency spill prevention and response activities between shared borders, expected risks posed by increased transport within the next three to five years of Canadian crude oil or hazardous materials, changes in transportation methods, and consideration of new or emerging technologies to make transport safer. The Senate Energy, Environment, and Telecommunication and the House Environment committees must hold a joint work session to prepare for a symposium on emergency spill prevention and response activities for oil and hazardous materials transported in the Pacific Northwest region.

Cities, towns, and counties located along a major rail line may develop emergency first responder oil and hazardous materials spill prevention and response plans. The plans must be consistent with state and federal requirements.

Ecology must develop a grant program for emergency first responders to meet the needs for oil and hazardous materials spill prevention and response plans. The grants must be reviewed in consultation with emergency first responders, and representatives from the oil, rail, and bulk hazardous materials industry. Grants must be prioritized for applicants from areas where oil or other hazardous materials are transferred from one mode of transportation to another. In addition, grants must be coordinated to maximize currently existing equipment and resources.

The sum of \$10 million from the Environmental Legacy Stewardship Account is appropriated to Ecology to implement the act.

**Appropriation:** \$10 million from the Environmental Legacy Stewardship Account.

**Fiscal Note:** Requested on January 31, 2014.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.