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## E2SHB 1186 - S COMM AMD By Committee on Ways & Means

## ADOPTED AS AMENDED 04/05/2011

Strike everything after the enacting clause and insert the 1 2 following:

3 "NEW SECTION. Sec. 1. (1) The legislature finds that the "deepwater horizon" wellhead blowout, explosion, and oil spill in the 4 Gulf of Mexico on April 20, 2010, resulted in the release of two 5 hundred million gallons of crude oil into the environment. 6 after the spill have included deaths and injuries, extensive damage to 7 the marine environment and wildlife habitats, as well as 8 9 socioeconomic damages to local citizens, commercial fishing, tourism, 10 businesses, and recreation. As late as six months after the spill, 11 four thousand two hundred square miles of the Gulf of Mexico were closed to commercial shrimp harvest. The incident in the Gulf of 12 Mexico is a reminder that the threat of major spills to Washington's 13 14 environment, natural resources, economy, quality of life, and private 15 property is significant.

(2) The legislature further finds that during the fall of 2010 the department of ecology compiled lessons learned from the Gulf of Mexico spill and the Puget Sound partnership convened an oil spill work group in an effort to ensure there is a rapid and aggressive response to a large scale spill in Washington and that oversight of spills is well coordinated among different levels of government and industry. legislature intends to build upon these efforts, and other recent studies, to improve Washington's prevention and response capabilities. While current oil spill contingency plans are required to address worst case spills, it is also clear that the state will benefit from additional preparation for a large scale oil spill of the magnitude possible by failures of an oil tanker or a tank barge, particularly within the confined waters of Puget Sound. Lessons learned from the 2010 deepwater horizon incident demonstrate that improvements to

- Washington's existing oil spill prevention, preparedness, and response capabilities are both prudent and possible.
  - Sec. 2. RCW 88.46.010 and 2009 c 11 s 7 are each reenacted and amended to read as follows:

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

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

- (2)(a) "Best achievable technology" means the technology that provides the greatest degree of protection taking into consideration:
- $((\frac{1}{2}))$  (i) Processes that are being developed, or could feasibly be developed, given overall reasonable expenditures on research and development  $(\frac{1}{2})$  and
- $((\frac{b}{b}))$  (ii) Processes that are currently in use.
- (b) In determining what is best achievable technology, the director shall consider the effectiveness, engineering feasibility, and commercial availability of the technology.
- (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.
- (4) "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.
- 33 (5) "Covered vessel" means a tank vessel, cargo vessel, or 34 passenger vessel.
- 35 (6) "Department" means the department of ecology.
  - (7) "Director" means the director of the department of ecology.

(8) "Discharge" means any spilling, leaking, pumping, pouring, 1 emitting, emptying, or dumping. 2

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- (9)(a) "Facility" means any structure, group of structures, 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: (i) Railroad car, motor vehicle, or other rolling stock while transporting oil over the highways or rail lines of this state; (ii) retail motor vehicle motor fuel outlet; (iii) facility that is operated as part of an exempt agricultural activity as provided in RCW 82.04.330; (iv) underground storage tank regulated by the department or a local government under 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 covered vessel, in a single transaction.
- (10) "Marine facility" means any facility used for tank vessel wharfage or anchorage, including any equipment used for the purpose of 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.
- (12) "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. "Offshore facility" does not include a marine facility.
- (13) "Oil" or "oils" means oil of any kind that is liquid at atmospheric temperature and any fractionation thereof, including, but not limited to, crude oil, petroleum, gasoline, fuel oil, diesel oil, biological oils and blends, oil sludge, oil refuse, 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.

(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.

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- (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.
- 18 (17) "Person" means any political subdivision, government agency, 19 municipality, industry, public or private corporation, copartnership, 20 association, firm, individual, or any other entity whatsoever.
  - (18) "Race Rocks light" means the nautical landmark located southwest of the city of Victoria, British Columbia.
  - (19) "Severe weather conditions" means observed nautical conditions with sustained winds measured at forty knots and wave heights measured between twelve and eighteen feet.
- 26 (20) "Ship" means any boat, ship, vessel, barge, or other floating 27 craft of any kind.
- 28 (21) "Spill" means an unauthorized discharge of oil into the waters 29 of the state.
- 30 (22) "Strait of Juan de Fuca" means waters off the northern coast 31 of the Olympic Peninsula seaward of a line drawn from New Dungeness 32 light in Clallam county to Discovery Island light on Vancouver Island, 33 British Columbia, Canada.
- 34 (23) "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:
  - (a) Operates on the waters of the state; or

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

- (24) "Vessel emergency" means a substantial threat of pollution originating from a covered vessel, including loss or serious degradation of propulsion, steering, means of navigation, primary electrical generating capability, and seakeeping capability.
- (25) "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.
- (26) "Worst case spill" means: (a) In the case of a vessel, a spill of the entire cargo and fuel of the vessel complicated by adverse weather conditions; and (b) in the case of an onshore or offshore facility, the largest foreseeable spill in adverse weather conditions.
- (27) "Vessels of opportunity response system" means nondedicated boats and operators, including fishing and other vessels, that are under contract with and equipped by contingency plan holders to assist with oil spill response activities, including on-water oil recovery in the near shore environment and the placement of oil spill containment booms to protect sensitive habitats.
- (28) "Regional vessels of opportunity response group" means a group of nondedicated vessels participating in a vessels of opportunity response system to respond when needed and available to spills in a defined geographic area.
- (29) "Volunteer coordination system" means an oil spill response system that, before a spill occurs, prepares for the coordination of volunteers to assist with appropriate oil spill response activities, which may include shoreline protection and cleanup, wildlife recovery, field observation, light construction, facility maintenance, donations management, clerical support, and other aspects of a spill response.
- 32 (30) "Umbrella plan holder" means a nonprofit corporation 33 established consistent with this chapter for the purposes of providing 34 oil spill response and contingency plan coverage.
- NEW SECTION. Sec. 3. A new section is added to chapter 88.46 RCW to read as follows:
- 37 (1) In addition to meeting the requirements specified in RCW

88.46.060, contingency plans for tank vessels operating in Washington waters must provide for the organization and contracting of a vessels of opportunity response system as required by this section.

- (2)(a) The owner or operator of a tank vessel operating in Washington waters shall establish or fund a vessels of opportunity response system to supplement the timely and effective response to spills in the vessel's area of operation.
- (b) The vessels of opportunity response system must be composed of an adequate number of regional vessels of opportunity response groups so as to be prepared to respond to a spill anywhere within the tank vessel's area of operation and be underway within twelve hours of activation by the incident commander or unified command, to the extent that a twelve-hour spill response is determined to be safe and effective. For tank vessels with an area of operation limited to the Columbia river, the vessels of opportunity response system may be limited to one regional vessels of opportunity response group located near the mouth of the river.
- (c) Each regional vessels of opportunity response group must be composed of a sufficient number of participating nondedicated vessels to satisfy the following planning standards:
- 21 (i) By July 1, 2012, two vessels are available to respond at any one time;
- 23 (ii) By July 1, 2013, four vessels are available to respond at any one time; and
  - (iii) On and after July 1, 2014, six vessels are available to respond at any one time.
- 27 (3) A vessels of opportunity response system must ensure the 28 following:
  - (a) Participating vessels have access to and can be rapidly equipped, consistent with subsections (4) and (5) of this section, with dedicated response equipment including equipment as provided in section 5(1)(a) of this act. The response equipment made available to vessels of opportunity response groups may vary among individual response groups based on the expected operating environment where the equipment will be utilized. While vessels of opportunity response groups must have access to equipment as provided in section 5(1)(a) of this act, the equipment utilized by individual vessels may vary within each group

- and not all vessels must have access to such equipment during a spill response;
  - (b) The appropriate response equipment is readily available to the individual vessels participating in a regional vessels of opportunity response group; and
    - (c) Crews of the participating vessels are:
    - (i) Equipped with appropriate personal protection gear; and
  - (ii) Properly trained to utilize response equipment as provided in section 5(1)(a) of this act. Crew training may be limited to safe response equipment utilization and deployment and not the maintenance of response equipment.
    - (4) Nothing in this section requires prepositioning response equipment that would require a major refit of a participating vessel of opportunity or dedicated response vessel.
    - (5) The dedicated response equipment made available to a regional vessels of opportunity group may be dedicated equipment owned and maintained by the contingency plan holder and not by the owner or operator of the participating vessel as long as the participating vessels have access to, and can be equipped with, the equipment as required in this section.
    - (6)(a) The requirements of this section may be fulfilled by one or more private organizations or nonprofit corporations providing umbrella coverage under contract to single or multiple tank vessels. Any organization or corporation providing coverage to satisfy the requirements of this section must ensure that the vessels of opportunity response system being provided includes the establishment of a minimum of six distinct regional vessels of opportunity response groups stationed so as to be able to respond to incidents occurring in the following locations:
      - (i) The outer coast;

- (ii) The Strait of Juan de Fuca;
- (iii) Northern Puget Sound, including the San Juan Islands;
- (iv) Central Puget Sound;
- 34 (v) Southern Puget Sound; and
- 35 (vi) The mouth of the Columbia river.
- 36 (b) The department may require a private organization or nonprofit 37 corporation providing umbrella coverage to satisfy the requirements of

this section to station regional vessels of opportunity response groups in areas that are in addition to the minimum required response areas of this subsection based on risk and need.

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- (7) Each regional vessel of opportunity response group must complete a minimum of two drills a year to ensure that the overall vessels of opportunity response system is maintained at an appropriate level of readiness and the actual number of participating vessels is sufficient to meet the planning standards provided in subsection (2)(c) of this section. The department may award credit to the plan holder for practice drills accordingly. Each successful activation of the vessels of opportunity response system may be considered by the department to satisfy a drill covering this portion of the contingency plan.
- (8) The decision to activate a vessels of opportunity response system during a spill response, and provide direction as to how and where the regional vessels of opportunity response groups should respond, is the responsibility of the designated incident commander or the unified command.
- 19 (9) The department may implement and enforce the requirements of 20 this section without adopting rules.
- 21 (10) The department shall adjust requirements provided in this 22 section where the department determines that compliance with a 23 requirement is not practicable.
- NEW SECTION. Sec. 4. A new section is added to chapter 88.46 RCW to read as follows:
  - (1) The department shall establish a volunteer coordination system. The volunteer coordination system may be included as a part of the state's overall oil spill response strategy, and may be implemented by local emergency management organizations, in coordination with any analogous federal efforts, to supplement the state's timely and effective response to spills.
- 32 (2) The department should consider how the volunteer coordination 33 system will:
- 34 (a) Coordinate with the incident commander or unified command of an 35 oil spill and any affected local governments to receive, screen, and 36 register volunteers who are not affiliated with the emergency 37 management organization or a local nongovernmental organization;

1 (b) Coordinate the management of volunteers with local 2 nongovernmental organizations and their affiliated volunteers;

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- (c) Coordinate appropriate response operations with different classes of volunteers, including pretrained volunteers and convergent volunteers, to fulfill requests by the department or an oil spill incident commander or unified command;
- (d) Coordinate public outreach regarding the need for and use of volunteers;
  - (e) Determine minimum participation criteria for volunteers; and
- (f) Identify volunteer training requirements and, if applicable, provide training opportunities for volunteers prior to an oil spill response incident.
- (3) An act or omission by any volunteer participating in a spill response or training as part of a volunteer coordination system, while engaged in such activities, does not impose any liability on any state agency, any participating local emergency management organization, or the volunteer for civil damages resulting from the act or omission. However, the immunity provided under this subsection does not apply to an act or omission that constitutes gross negligence or willful or wanton misconduct.
- (4) The decisions to utilize volunteers in an oil spill response, which volunteers to utilize, and to determine which response activities are appropriate for volunteer participation in any given response are the sole responsibilities of the designated incident commander or unified command.
- NEW SECTION. Sec. 5. A new section is added to chapter 88.46 RCW to read as follows:
  - (1) In addition to meeting the requirements specified in this chapter applicable to all covered vessels, contingency plans for tank vessels must provide for:
- 31 (a) Response systems that represent best available protection and 32 are located in close proximity to vessels of opportunity response 33 groups as provided in section 3 of this act. The response systems 34 must: (i) Be capable of oil recovery in currents of three knots and in 35 adverse weather normally experienced in the area of operation for an 36 individual vessel of opportunity response group; and (ii) be composed, 37 at minimum, of on-water oil collection, oil skimming, and on-water

storage equipment. Equipment required under this section must supplement equipment required under subsections (2) and (3) of this Nothing in this subsection requires prepositioning response equipment that would require a major refit of a participating vessel of opportunity or dedicated response vessel; and

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- (b) Access to aerial remote sensing technology that enhances the ability of response personnel to detect and respond to oil spills in times of low visibility and at night, including technology that is capable of aerial oil identification, location mapping, and downloading of the information in real time to response vessels and the command post. This technology is not required to be stationed in Washington, but must be capable of being operational at the site of an incident within four hours of a response request.
- (2) In addition to meeting the requirements specified in this chapter applicable to all covered vessels, contingency plans for tank vessels must provide for:
- (a) Rapid access to equipment located within the state that reflects the best achievable protection for the expected operating environment in the vessel's area of operation without requiring equipment with capabilities that exceeds the response requirements for the expected operating environment; and
- (b) Continuous operation of oil spill response activities without regard to the operating environment to the maximum extent practicable and without jeopardizing crew safety, as determined by the incident commander or the unified command.
- In reviewing tank vessel contingency plans to measure (3) compliance with this subsection and subsection (2) of this section, the department must ensure that, at a minimum, plans:
- (a) Provide access to dedicated equipment appropriate for the operating environment as needed to achieve oil recovery, to the maximum extent practicable and without jeopardizing crew safety; including, being capable of oil recovery in currents of three knots and in adverse weather normally experienced in the area of operation. These response systems must include on-water oil collection, oil skimming, and onwater storage equipment, and trained personnel representing best achievable protection. Equipment intended to be used for response activities on the outer coast or the Strait of Juan de Fuca must also be capable of open water operations;

(b) Include a technical analysis of best achievable technology and best achievable protection for the expected operating environment in the vessel's area of operation; and

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- (c) Provide adequate capacity for storage or proper disposal of the volume and type of oil considered by the contingency plan so as to achieve continuous operation of oil recovery to the maximum extent practicable considering currents, wave heights, weather conditions, and the safety of response personnel.
- (4)(a) The department may implement and enforce the requirements of subsection (1) of this section without adopting rules.
- (b) Subject to the availability of amounts appropriated for this specific purpose, the department shall adopt rules specifying requirements under subsections (2) and (3) of this section.
- (c) The department may not revise standards to require equipment upgrades under this section more than once in any five-year period.
- 16 (5) The department shall adjust requirements provided in this 17 section where the department determines that compliance with a 18 requirement is not practicable.
- 19 <u>NEW SECTION.</u> **Sec. 6.** A new section is added to chapter 88.46 RCW 20 to read as follows:
  - (1) The department is responsible for ordering joint large-scale, multiple plan equipment deployment drills of tank vessels to determine the adequacy of the owner's or operator's compliance with the contingency plan requirements of this chapter. The department must order at least one drill as outlined in this section every three years.
  - (2) Drills ordered under this section must focus on, at a minimum, the following:
    - (a) The functional ability for multiple contingency plans to be simultaneously activated with the purpose of testing the ability for dedicated equipment and trained personnel cited in multiple contingency plans to be activated in a large scale spill; and
    - (b) The operational readiness during both the first six hours of a spill and, at the department's discretion, over multiple operational periods of response.
- 35 (3) Drills ordered under this section may be incorporated into 36 other drill requirements under this chapter to avoid increasing the 37 number of drills and equipment deployments otherwise required.

1 (4) Each successful drill conducted under this section may be 2 considered by the department as a drill of the underlying contingency 3 plan and credit may be awarded to the plan holder accordingly.

- (5) The department shall, when practicable, coordinate with applicable federal agencies, the state of Oregon, and the province of British Columbia to establish a drill incident command and to help ensure that lessons learned from the drills are evaluated with the goal of improving the underlying contingency plans.
- **Sec. 7.** RCW 88.46.060 and 2005 c 78 s 2 are each amended to read 10 as follows:
  - (1) Each covered vessel shall have a contingency plan for the containment and cleanup of oil spills from the covered vessel into the waters of the state and for the protection of fisheries and wildlife, shellfish beds, natural resources, and public and private property from such spills. The department shall by rule adopt and periodically revise standards for the preparation of contingency plans. The department shall require contingency plans, at a minimum, to meet the following standards:
  - (a) Include full details of the method of response to spills of various sizes from any vessel which is covered by the plan;
  - (b) Be designed to be capable in terms of personnel, materials, and equipment, of promptly and properly, to the maximum extent practicable, as defined by the department, removing oil and minimizing any damage to the environment resulting from a worst case spill;
  - (c) Provide a clear, precise, and detailed description of how the plan relates to and is integrated into relevant contingency plans which have been prepared by cooperatives, ports, regional entities, the state, and the federal government;
  - (d) Provide procedures for early detection of spills and timely notification of such spills to appropriate federal, state, and local authorities under applicable state and federal law;
  - (e) State the number, training preparedness, and fitness of all dedicated, prepositioned personnel assigned to direct and implement the plan;
- 35 (f) Incorporate periodic training and drill programs <u>consistent</u> 36 <u>with this chapter</u> to evaluate whether personnel and equipment provided 37 under the plan are in a state of operational readiness at all times;

(g) Describe important features of the surrounding environment, including fish and wildlife habitat, shellfish beds, environmentally and archaeologically sensitive areas, and public facilities. departments of ecology, fish and wildlife, ((and)) natural resources, and ((the office of)) archaeology and historic preservation, upon request, shall provide information that they have available to assist in preparing this description. The description of archaeologically sensitive areas shall not be required to be included in a contingency plan until it is reviewed and updated pursuant to subsection (9) of this section;

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- (h) State the means of protecting and mitigating effects on the environment, including fish, shellfish, marine mammals, and other wildlife, and ensure that implementation of the plan does not pose unacceptable risks to the public or the environment;
- (i) Establish guidelines for the use of equipment by the crew of a vessel to minimize vessel damage, stop or reduce any spilling from the vessel, and, only when appropriate and only when vessel safety is assured, contain and clean up the spilled oil;
- Provide arrangements for the prepositioning of ( j ) spill containment and cleanup equipment and trained personnel at strategic locations from which they can be deployed to the spill site to promptly and properly remove the spilled oil;
- (k) Provide arrangements for enlisting the use of qualified and trained cleanup personnel to implement the plan;
- (1) Provide for disposal of recovered spilled oil in accordance with local, state, and federal laws;
- (m) Until a spill prevention plan has been submitted pursuant to RCW 88.46.040, state the measures that have been taken to reduce the likelihood that a spill will occur, including but not limited to, design and operation of a vessel, training of personnel, number of personnel, and backup systems designed to prevent a spill;
- (n) State the amount and type of equipment available to respond to a spill, where the equipment is located, and the extent to which other contingency plans rely on the same equipment; ((and))
- 35 (o) If the department has adopted rules permitting the use of 36 dispersants, the circumstances, if any, and the manner for the 37 application of the dispersants in conformance with the department's 38 rules;

1 (p) Compliance with section 8 of this act if the contingency plan 2 is submitted by an umbrella plan holder; and

- (q) Include any additional elements of contingency plans as required by this chapter.
- (2)((\(\frac{(a)}{a}\)) The owner or operator of a ((\(\frac{tank}{a}\)) covered vessel ((\(\frac{of}{covered}\)) three thousand gross tons or more shall)) must submit ((\(\frac{a}{a}\))) any required contingency plan updates to the department within ((\(\frac{six}{months}\)) the timelines established by the department ((\(\frac{adopts}{adopts}\) rules establishing standards for contingency plans under subsection (1) of this section.
- (b) Contingency plans for all other covered vessels shall be submitted to the department within eighteen months after the department has adopted rules under subsection (1) of this section. The department may adopt a schedule for submission of plans within the eighteen-month period)).
- (3)(a) The owner or operator of a tank vessel or of the facilities at which the vessel will be unloading its cargo, or a ((Washington state)) nonprofit corporation established for the purpose of oil spill response and contingency plan coverage and of which the owner or operator is a member, shall submit the contingency plan for the tank vessel. Subject to conditions imposed by the department, the owner or operator of a facility may submit a single contingency plan for tank vessels of a particular class that will be unloading cargo at the facility.
- (b) The contingency plan for a cargo vessel or passenger vessel may be submitted by the owner or operator of the cargo vessel or passenger vessel, by the agent for the vessel resident in this state, or by a ((Washington state)) nonprofit corporation established for the purpose of oil spill response and contingency plan coverage and of which the owner or operator is a member. Subject to conditions imposed by the department, the owner, operator, or agent may submit a single contingency plan for cargo vessels or passenger vessels of a particular class.
- (c) A person who has contracted with a covered vessel to provide containment and cleanup services and who meets the standards established pursuant to RCW 90.56.240, may submit the plan for any covered vessel for which the person is contractually obligated to

provide services. Subject to conditions imposed by the department, the person may submit a single plan for more than one covered vessel.

- (4) A contingency plan prepared for an agency of the federal government or another state that satisfies the requirements of this section and rules adopted by the department may be accepted by the department as a contingency plan under this section. The department shall ensure that to the greatest extent possible, requirements for contingency plans under this section are consistent with the requirements for contingency plans under federal law.
- (5) In reviewing the contingency plans required by this section, the department shall consider at least the following factors:
- (a) The adequacy of containment and cleanup equipment, personnel, communications equipment, notification procedures and call down lists, response time, and logistical arrangements for coordination and implementation of response efforts to remove oil spills promptly and properly and to protect the environment;
- (b) The nature and amount of vessel traffic within the area covered by the plan;
- (c) The volume and type of oil being transported within the area covered by the plan;
- 21 (d) The existence of navigational hazards within the area covered 22 by the plan;
  - (e) The history and circumstances surrounding prior spills of oil within the area covered by the plan;
    - (f) The sensitivity of fisheries and wildlife, shellfish beds, and other natural resources within the area covered by the plan;
    - (g) Relevant information on previous spills contained in on-scene coordinator reports prepared by the director; and
    - (h) The extent to which reasonable, cost-effective measures to prevent a likelihood that a spill will occur have been incorporated into the plan.
    - (6)(a) The department shall approve a contingency plan only if it determines that the plan meets the requirements of this section and that, if implemented, the plan is capable, in terms of personnel, materials, and equipment, of removing oil promptly and properly and minimizing any damage to the environment.
- 37 <u>(b) The department must notify the plan holder in writing within</u> 38 <u>sixty-five days of an initial or amended plan's submittal to the</u>

department as to whether the plan is disapproved, approved, or conditionally approved. If a plan is conditionally approved, the department must clearly describe each condition and specify a schedule for plan holders to submit required updates.

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- (7) The approval of the contingency plan shall be valid for five years. Upon approval of a contingency plan, the department shall provide to the person submitting the plan a statement indicating that the plan has been approved, the vessels covered by the plan, and other information the department determines should be included.
- (8) An owner or operator of a covered vessel shall notify the department in writing immediately of any significant change of which it is aware affecting its contingency plan, including changes in any factor set forth in this section or in rules adopted by the department. The department may require the owner or operator to update a contingency plan as a result of these changes.
- 16 (9) The department by rule shall require contingency plans to be 17 reviewed, updated, if necessary, and resubmitted to the department at 18 least once every five years.
- 19 (10) Approval of a contingency plan by the department does not 20 constitute an express assurance regarding the adequacy of the plan nor 21 constitute a defense to liability imposed under this chapter or other 22 state law.
- NEW SECTION. Sec. 8. A new section is added to chapter 88.46 RCW to read as follows:
  - (1) When submitting a contingency plan to the department under RCW 88.46.060, any umbrella plan holders that enroll both tank vessels and covered vessels that are not tank vessels must, in addition to satisfying the other requirements of this chapter, specify:
  - (a) The maximum worst case discharge volume from covered vessels that are not tank vessels to be covered by the umbrella plan holder's contingency plan; and
  - (b) The maximum worst case discharge volume from tank vessels to be covered by the umbrella plan holder's contingency plan.
- 34 (2) Tank vessel owners or operators that are enrolled with an 35 umbrella plan holder and that have worse case discharge volumes larger 36 than the maximum volume covered by the contingency plan of the umbrella

- 1 plan holder must demonstrate to the satisfaction of the department that
- 2 the owner or operator of the tank vessel has access to the necessary
- 3 additional response capabilities.

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- 4 **Sec. 9.** RCW 88.46.100 and 2000 c 69 s 10 are each amended to read 5 as follows:
  - (((1))) In ((order to assist the state in identifying areas of the navigable waters of the state needing special attention, the owner or operator of a covered vessel shall notify the)) addition to any notifications that the owner or operator of a covered vessel must provide to the United States coast guard ((within one hour:
  - (a) Of the disability of the covered vessel if the disabled vessel is within twelve miles of the shore of the state; and
- 13 (b) Of a collision or a near miss incident within twelve miles of the shore of the state.
  - (2) The state military department and the department shall request the coast guard to notify the state military department as soon as possible after the coast guard receives notice of a disabled covered vessel or of a collision or near miss incident within twelve miles of the shore of the state. The department shall negotiate an agreement with the coast guard governing procedures for coast guard notification to the state regarding disabled covered vessels and collisions and near miss incidents.
  - (3) The department shall prepare a summary of the information collected under this section and provide the summary to the regional marine safety committees, the coast guard, and others in order to identify problems with the marine transportation system.
    - (4) For the purposes of this section:
- 28 (a) A tank vessel or cargo vessel is considered disabled if any of 29 the following occur:
  - (i) Any accidental or intentional grounding;
  - (ii) The total or partial failure of the main propulsion or primary steering or any component or control system that causes a reduction in the maneuvering capabilities of the vessel;
- (iii) An occurrence materially and adversely affecting the vessel's seaworthiness or fitness for service, including but not limited to, fire, flooding, or collision with another vessel;

- 1 (iv) Any other occurrence that creates the serious possibility of 2 an oil spill or an occurrence that may result in such a spill.
  - (b) A barge is considered disabled if any of the following occur:
  - (i) The towing mechanism becomes disabled;

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- 5 (ii) The towboat towing the barge becomes disabled through 6 occurrences defined in (a) of this subsection.
  - (c) A near miss incident is an incident that requires the pilot or master of a covered vessel to take evasive actions or make significant course corrections in order to avoid a collision with another ship or to avoid a grounding as required by the international rules of the road.
- 12 (5) Failure of any person to make a report under this section shall 13 not be used as the basis for the imposition of any fine or penalty)) 14 regarding a vessel emergency, the owner or operator of a covered vessel must notify the state of any vessel emergency that results in the 15 discharge or substantial threat of discharge of oil to state waters or 16 17 that may affect the natural resources of the state within one hour of the onset of that emergency. The purpose of this notification is to 18 enable the department to coordinate with the vessel operator, 19 contingency plan holder, and the United States coast guard to protect 20 21 the public health, welfare, and natural resources of the state and to ensure all reasonable spill preparedness and response measures are in 22 23 place prior to a spill occurring.
- 24 **Sec. 10.** RCW 90.48.366 and 2007 c 347 s 1 are each amended to read 25 as follows:
  - (1) The department, in consultation with the departments of fish and wildlife and natural resources, and the parks and recreation commission, shall adopt rules establishing a compensation schedule for the discharge of oil in violation of this chapter and chapter 90.56 RCW. The amount of compensation assessed under this schedule shall be:
  - (a) For spills totaling one thousand gallons or more in any one event, no less than ((one dollar)) three dollars per gallon of oil spilled and no greater than ((one)) three hundred dollars per gallon of oil spilled; and
- 35 (b) For spills totaling less than one thousand gallons in any one 36 event, no less than one dollar per gallon of oil spilled and no greater 37 than one hundred dollars per gallon of oil spilled.

- 1 (2) Oil recovered from the water within forty-eight hours of a 2 discharge must be deducted from the total spill volume for purposes of 3 determining the amount of compensation assessed under the compensation 4 schedule.
  - (3) The compensation schedule <u>adopted under this section</u> shall reflect adequate compensation for unquantifiable damages or for damages not quantifiable at reasonable cost for any adverse environmental, recreational, aesthetic, or other effects caused by the spill and shall take into account:
- 10 ((<del>(1)</del>)) <u>(a)</u> Characteristics of any oil spilled, such as toxicity, 11 dispersibility, solubility, and persistence, that may affect the 12 severity of the effects on the receiving environment, living organisms, 13 and recreational and aesthetic resources;
- 14  $((\frac{(2)}{2}))$  (b) The sensitivity of the affected area as determined by such factors as:
- 16  $((\frac{a}{a}))$  (i) The location of the spill;

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- ((<del>(b)</del>)) <u>(ii) H</u>abitat and living resource sensitivity;
- 18  $((\frac{c}{c}))$  <u>(iii) Seasonal distribution or sensitivity of living</u>
  19 resources;
- 20 ((<del>(d)</del>)) <u>(iv) A</u>reas of recreational use or aesthetic importance;
- 21 ((<del>(e)</del>)) <u>(v)</u> The proximity of the spill to important habitats for 22 birds, aquatic mammals, fish, or to species listed as threatened or 23 endangered under state or federal law;
- $((\frac{f}{f}))$  (vi) Significant archaeological resources as determined by the department of archaeology and historic preservation; and
  - $((\frac{g}{g}))$  (vii) Other areas of special ecological or recreational importance, as determined by the department; and
- 28  $((\frac{3}{3}))$  (c) Actions taken by the party who spilled oil or any party liable for the spill that:
- $((\frac{a}{a}))$  (i) 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
- ((<del>(b)</del>)) <u>(ii)</u> 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.

- Sec. 11. RCW 90.56.370 and 2000 c 69 s 21 are each amended to read 1 2 as follows:
  - (1) Any person owning oil or having control over oil that enters the waters of the state in violation of RCW 90.56.320 shall be strictly liable, without regard to fault, for the damages to persons or property, public or private, caused by such entry.
  - (2) Damages for which responsible parties are liable under this section include loss of income, revenue, the means of producing income or revenue, or an economic benefit resulting from an injury to or loss of real or personal property or natural resources.
- (3) Damages for which responsible parties are liable under this 11 12 section include damages provided in subsections (1) and (2) of this 13 section resulting from any action conducted in response to a violation of RCW 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 of oil in violation of RCW 90.56.320, the owner or person having control over the oil shall be relieved from strict liability, without regard to fault, if that person can prove that the discharge was caused solely by:
    - (a) An act of war or sabotage;
- 23 (b) An act of God;

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- (c) Negligence on the part of the United States government; or
- (d) Negligence on the part of the state of Washington.
- 26  $((\frac{3}{3}))$  (5) The liability established in this section shall in no 27 way affect the rights which: (a) The owner or other person having control over the oil may have against any person whose acts may in any 28 way have caused or contributed to the discharge of oil, or (b) the 29 30 state of Washington may have against any person whose actions may have caused or contributed to the discharge of oil. 31
- 32 Sec. 12. (1) The director of the department of NEW SECTION. ecology must formally request that the federal government contribute to 33 34 the establishment of regional oil spill response equipment caches in 35 Washington to ensure adequate response capabilities during a multiple 36 spill event.
  - (2) This section expires December 31, 2014.

- NEW SECTION. Sec. 13. (1) The department of ecology shall prepare a report to the legislature, consistent with RCW 43.01.036, that identifies the lessons learned through the implementation of sections 3 through 6 of this act and presents any recommendations for changes in the state oil spill preparation and response policies gleaned from the lessons learned.
- (2) In preparing the report required in this section, the department of ecology shall consult with both the Puget Sound partnership and a diverse selection of appropriate stakeholders interested in tank vessel oil spill preparedness and response to be invited to participate by the director of the department of ecology. Any recommendations by the department of ecology must also identify any relevant perspectives of the invited stakeholders on the cost-benefit and cost-effectiveness of alternative approaches.
- 15 (3) The report required by this section must be delivered by 16 January 5, 2015.
- 17 (4) This section expires July 31, 2015.

- NEW SECTION. Sec. 14. A new section is added to chapter 88.46 RCW to read as follows:
  - (1) If necessary, the department shall adjust the requirements provided in section 3 of this act to ensure that the documented costs of compliance with that section, above and beyond the costs of compliance with this chapter and rules of the department on the effective date of this section, do not exceed ten million dollars in any one year. For the purposes of this subsection, "costs of compliance" with section 3 of this act are direct operating costs, such as training and drills, and do not include any equipment requirements. The maximum cost figure must be adjusted for inflation using the consumer price index as calculated by the United States department of labor.
  - (2) If necessary, the department shall adjust the requirements provided in section 5 of this act to ensure that the documented costs of compliance with that section, above and beyond the costs of compliance with this chapter and rules of the department on the effective date of this section, do not exceed thirty million dollars in any five-year period. For the purposes of this subsection, "costs of compliance" with section 5 of this act are capital equipment costs and

- 1 direct operating costs for the equipment. The maximum cost figure must
- 2 be adjusted for inflation using the consumer price index as calculated
- 3 by the United States department of labor.

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- MEW SECTION. Sec. 15. (1) The requirements of this act must be met according to the compliance schedule provided in this subsection.
- 6 The owners or operators of all affected vessels must either have new
- 7 contingency plans approved by the department of ecology or updates to
- 8 existing contingency plans approved by the department of ecology for
- 9 the following plan components by the following dates:
- 10 (a) Compliance with section 3 of this act by July 1, 2012;
- 11 (b) Compliance with section 5(1)(a) of this act by July 1, 2012;
- 12 (c) Compliance with section 5(1)(b) of this act by July 1, 2013;
- 13 (d) With the exception of section 5(1) of this act, compliance with 14 the remainder of section 5 of this act by July 1, 2013; and
  - (e) Other than section 12 of this act and RCW 90.56.370 and 90.48.366, which become enforceable on the effective date of this section, all other sections of this act must be complied with by October 1, 2011.
  - (2) The department of ecology must comply with section 4 of this act by July 1, 2014.
    - (3) In the initial implementation of sections 3 through 6 and 8 of this act and RCW 88.46.060, the department of ecology shall consult with appropriate stakeholders interested in tank vessel oil spill preparedness and response, as invited to participate by the director of the department of ecology. However, nothing in this subsection limits the ability of the department of ecology to implement this act in the manner deemed most appropriate by the department of ecology.
    - (4) Any rules the department of ecology is required to adopt under this act or deems necessary to adopt for the implementation of this act must be adopted in time to facilitate the submittal and approval of new or updated contingency plans according to the compliance schedule in subsection (1) of this section.
      - (5) This section expires July 31, 2014."

## **E2SHB 1186** - S COMM AMD By Committee on Ways & Means

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## ADOPTED AS AMENDED 04/05/2011

On page 1, line 2 of the title, after "program;" strike the remainder of the title and insert "amending RCW 88.46.060, 88.46.100, 90.48.366, and 90.56.370; reenacting and amending RCW 88.46.010; adding new sections to chapter 88.46 RCW; creating new sections; prescribing penalties; and providing expiration dates."

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