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E2SSB 5057 - H AMD By Representative Farrell

ADOPTED AND ENGROSSED 4/14/2015

- 1 Strike everything after the enacting clause and insert the 2 following:
- 3 "Sec. 1. RCW 90.56.005 and 2010 1st sp.s. c 7 s 72 are each 4 amended to read as follows:
 - (1) The legislature declares that waterborne transportation as a source of supply for oil and hazardous substances poses special concern for the state of Washington. Each year billions of gallons of crude oil and refined petroleum products are transported as cargo and fuel by vessels on the navigable waters of the state. The movement of crude oil through rail corridors and over Washington waters creates safety and environmental risks. The sources and transport of crude oil bring risks to our communities along rail lines and to the Columbia river, Grays Harbor, and Puget Sound waters. These shipments are expected to increase in the coming years. Vessels and trains transporting oil into Washington travel on some of the most unique and special marine environments in the United States. These marine environments are a source of natural beauty, recreation, and economic livelihood for many residents of this state. As a result, the state has an obligation to ensure the citizens of the state that the waters of the state will be protected from oil spills.
 - (2) The legislature finds that prevention is the best method to protect the unique and special marine environments in this state. The technology for containing and cleaning up a spill of oil or hazardous substances is at best only partially effective. Preventing spills is more protective of the environment and more cost-effective when all the response and damage costs associated with responding to a spill are considered. Therefore, the legislature finds that the primary objective of the state is to achieve a zero spills strategy to prevent any oil or hazardous substances from entering waters of the state.
 - (3) The legislature also finds that:
- 32 (a) Recent accidents in Washington, Alaska, southern California, 33 Texas, Pennsylvania, and other parts of the nation have shown that

1 the transportation, transfer, and storage of oil have caused
2 significant damage to the marine environment;

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- (b) Even with the best efforts, it is nearly impossible to remove all oil that is spilled into the water, and average removal rates are only fourteen percent;
- 6 (c) Washington's navigable waters are treasured environmental and 7 economic resources that the state cannot afford to place at undue 8 risk from an oil spill;
- 9 (d) The state has a fundamental responsibility, as the trustee of 10 the state's natural resources and the protector of public health and 11 the environment to prevent the spill of oil; and
- (e) In section 5002 of the federal oil pollution act of 1990, the 12 13 United States congress found that many people believed that complacency on the part of industry and government was one of the 14 contributing factors to the Exxon Valdez spill and, further, that one 15 16 method to combat this complacency is to involve local citizens in the 17 monitoring and oversight of oil spill plans. Congress also found that 18 a mechanism should be established that fosters the long-term partnership of industry, government, and local communities 19 overseeing compliance with environmental concerns in the operation of 20 21 crude oil terminals. Moreover, congress concluded that, in addition to Alaska, a program of citizen monitoring and oversight should be 22 established in other major crude oil terminals in the United States 23 because recent oil spills indicate that the safe transportation of 24 25 oil is a national problem.
 - (4) In order to establish a comprehensive prevention and response program to protect Washington's waters and natural resources from spills of oil, it is the purpose of this chapter:
- 29 (a) To establish state agency expertise in marine safety and to 30 centralize state activities in spill prevention and response 31 activities;
- 32 (b) To prevent spills of oil and to promote programs that reduce 33 the risk of both catastrophic and small chronic spills;
- 34 (c) To ensure that responsible parties are liable, and have the 35 resources and ability, to respond to spills and provide compensation 36 for all costs and damages;
- 37 (d) To provide for state spill response and wildlife rescue 38 planning and implementation;
- 39 (e) To support and complement the federal oil pollution act of 40 1990 and other federal law, especially those provisions relating to

- 1 the national contingency plan for cleanup of oil spills and
- 2 discharges, including provisions relating to the responsibilities of
- 3 state agencies designated as natural resource trustees. The
- 4 legislature intends this chapter to be interpreted and implemented in
- 5 a manner consistent with federal law;
- 6 (f) To provide broad powers of regulation to the department of 7 ecology relating to spill prevention and response;
- 8 (g) To provide for independent review on an ongoing basis the 9 adequacy of oil spill prevention, preparedness, and response 10 activities in this state; ((and))
- 11 (h) To provide an adequate funding source for state response and 12 prevention programs; and
- (i) To maintain the best achievable protection that can be obtained through the use of the best achievable technology and those
- 15 staffing levels, training procedures, and operational methods that
- 16 provide the greatest degree of protection achievable.
- 17 Sec. 2. RCW 88.46.010 and 2011 c 122 s 1 are each reenacted and 18 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;
- 29 (b) The technological achievability of the measures; and
- 30 (c) The cost of the measures.

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- 31 (2)(a) "Best achievable technology" means the technology that 32 provides the greatest degree of protection taking into consideration:
- 33 (i) Processes that are being developed, or could feasibly be 34 developed, given overall reasonable expenditures on research and 35 development; and
- 36 (ii) Processes that are currently in use.
- 37 (b) In determining what is best achievable technology, the 38 director shall consider the effectiveness, engineering feasibility,
- 39 and commercial availability of the technology.

- 1 (3) "Bulk" means material that is stored or transported in a loose, unpackaged liquid, powder, or granular form capable of being 2 conveyed by a pipe, bucket, chute, or belt system. 3
- (4) "Cargo vessel" means a self-propelled ship in commerce, other 4 than a tank vessel or a passenger vessel, of three hundred or more 5 6 gross tons, including but not limited to, commercial fish processing 7 vessels and freighters.
- (5) "Covered vessel" means a tank vessel, cargo vessel, or 8 9 passenger vessel.
 - (6) "Department" means the department of ecology.

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- (7) "Director" means the director of the department of ecology.
- 12 (8) "Discharge" means any spilling, leaking, pumping, pouring, 13 emitting, emptying, or dumping.
 - (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.
- 20 (b) For the purposes of oil spill contingency planning in RCW 21 90.56.210, advanced notice of oil transfers in section 8 of this act, and financial responsibility in RCW 88.40.025, facility also means a 22 railroad that is not owned by the state that transports oil as bulk 23 24 cargo.
 - (c) 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, 1 2 interstate, or foreign commerce.

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- (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 8 ((atmospheric temperature)) twenty-five degrees Celsius and one 9 atmosphere of pressure and any fractionation thereof, including, but 10 not limited to, crude oil, bitumen, synthetic crude oil, natural gas 11 well condensate, petroleum, gasoline, fuel oil, diesel oil, 12 biological oils and blends, oil sludge, oil refuse, and oil mixed 13 with wastes other than dredged spoil. Oil does not include any 14 substance listed in Table 302.4 of 40 C.F.R. Part 302 adopted August 15 1989, under section $((\frac{101(14)}{1}))$ $\frac{102(a)}{1}$ of the 16 17 comprehensive environmental response, compensation, and liability act of 1980, as amended by P.L. 99-499. 18
 - (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.
- 31 (b) "Operator" does not include any person who owns the land underlying a facility if the person is not involved in the operations 32 of the facility. 33
 - (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.
- (17) "Person" means any political subdivision, government agency, 37 municipality, industry, public or private corporation, copartnership, 38 association, firm, individual, or any other entity whatsoever. 39

- 1 (18) "Race Rocks light" means the nautical landmark located southwest of the city of Victoria, British Columbia. 2
 - (19) "Regional vessels of opportunity response group" means a group of nondedicated vessels participating in a vessels opportunity response system to respond when needed and available to spills in a defined geographic area.
 - (20)"Severe weather conditions" means observed nautical conditions with sustained winds measured at forty knots and wave heights measured between twelve and eighteen feet.
- "Ship" means any boat, ship, vessel, barge, 10 or other 11 floating craft of any kind.
- 12 (22) "Spill" means an unauthorized discharge of oil into the 13 waters of the state.
- (23) "Strait of Juan de Fuca" means waters off the northern coast 14 of the Olympic Peninsula seaward of a line drawn from New Dungeness 15 light in Clallam county to Discovery Island light on Vancouver 16 17 Island, British Columbia, Canada.
- (24) "Tank vessel" means a ship that is constructed or adapted to 18 carry, or that carries, oil in bulk as cargo or cargo residue, and 19 20 t.hat:
 - (a) Operates on the waters of the state; or

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- (b) Transfers oil in a port or place subject to the jurisdiction 22 23 of this state.
- (25) "Umbrella plan holder" means a nonprofit corporation 24 established consistent with this chapter for the purposes of 25 26 providing oil spill response and contingency plan coverage.
 - (26) "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.
 - (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) "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

- 1 recovery, field observation, light construction, facility maintenance, donations management, clerical support, and other 2 aspects of a spill response. 3
- "Waters of the state" includes lakes, rivers, ponds, 4 streams, inland waters, underground water, salt waters, estuaries, 5 6 tidal flats, beaches and lands adjoining the seacoast of the state, 7 sewers, and all other surface waters and watercourses within the jurisdiction of the state of Washington. 8
- 9 (30) "Worst case spill" means: (a) In the case of a vessel, a spill of the entire cargo and fuel of the vessel complicated by 10 11 adverse weather conditions; and (b) in the case of an onshore or 12 offshore facility, the largest foreseeable spill in adverse weather conditions. 13
- **Sec. 3.** RCW 90.56.010 and 2007 c 347 s 6 are each amended to 14 15 read as follows:
- 16 The definitions in this section apply throughout this chapter unless the context clearly requires otherwise. 17

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- (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) "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. determining what is best achievable technology, the director shall consider the effectiveness, engineering feasibility, and commercial availability of the technology.
- (3) "Board" means the pollution control hearings board.
- (4) "Cargo vessel" means a self-propelled ship in commerce, other 36 than a tank vessel or a passenger vessel, three hundred or more gross 37 tons, including but not limited to, commercial fish processing 38 vessels and freighters. 39

- 1 (5) "Bulk" means material that is stored or transported in a loose, unpackaged liquid, powder, or granular form capable of being 2 conveyed by a pipe, bucket, chute, or belt system. 3
 - "Committee" means the preassessment screening committee established under RCW 90.48.368.
- 6 "Covered vessel" means a tank vessel, cargo vessel, or 7 passenger vessel.
 - (8) "Department" means the department of ecology.

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- (9) "Director" means the director of the department of ecology. 9
- (10) "Discharge" means any spilling, leaking, pumping, pouring, 10 emitting, emptying, or dumping. 11
- 12 (11)(a) "Facility" means any structure, group of structures, equipment, pipeline, or device, other than a vessel, located on or 13 14 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, 15 16 storing, handling, transferring, processing, or transporting oil in 17 bulk.
- (b) For the purposes of oil spill contingency planning in RCW 90.56.210, advanced notice of oil transfers in section 8 of this act, 19 and financial responsibility in RCW 88.40.025, facility also means a 20 21 railroad that is not owned by the state that transports oil as bulk 22 cargo.
 - (c) 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) underground storage tank regulated by the department or a local government under chapter 90.76 RCW; (iii) motor vehicle motor fuel outlet; (iv) facility that is 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 three thousand gallons of fuel to a ship that is not a covered vessel, in a single transaction.
- 32 (12) "Fund" means the state coastal protection fund as provided in RCW 90.48.390 and 90.48.400. 33
- (13) "Having control over oil" shall include but not be limited 34 to any person using, storing, or transporting oil immediately prior 35 to entry of such oil into the waters of the state, and shall 36 specifically include carriers and bailees of such oil. 37
- 38 (14) "Marine facility" means any facility used for tank vessel 39 wharfage or anchorage, including any equipment used for the purpose 40 of 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.

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- (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 oil of any kind that is liquid at ((atmospheric temperature)) twenty-five degrees Celsius and one atmosphere of pressure and any fractionation thereof, including, but not limited to, crude oil, bitumen, synthetic crude oil, natural gas well condensate, petroleum, gasoline, fuel oil, diesel 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 1989, under section $((\frac{101(14)}{100}))$ $\frac{102(a)}{100}$ of the comprehensive environmental response, compensation, and liability act of 1980, as amended by P.L. 99-499.
- (18) "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.
- (19) "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.
- (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.

- 1 (b) "Operator" does not include any person who owns the land 2 underlying a facility if the person is not involved in the operations 3 of the facility.
- 4 (21) "Passenger vessel" means a ship of three hundred or more 5 gross tons with a fuel capacity of at least six thousand gallons 6 carrying passengers for compensation.
- 7 (22) "Person" means any political subdivision, government agency, 8 municipality, industry, public or private corporation, copartnership, 9 association, firm, individual, or any other entity whatsoever.
- 10 (23) "Ship" means any boat, ship, vessel, barge, or other 11 floating craft of any kind.
- 12 (24) "Spill" means an unauthorized discharge of oil or hazardous 13 substances into the waters of the state.
- 14 (25) "Tank vessel" means a ship that is constructed or adapted to 15 carry, or that carries, oil in bulk as cargo or cargo residue, and 16 that:
 - (a) Operates on the waters of the state; or

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- 18 (b) Transfers oil in a port or place subject to the jurisdiction 19 of this state.
 - (26) "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.
 - (27) "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.
- 30 (28) "Crude oil" means any naturally occurring hydrocarbons
 31 coming from the earth that are liquid at twenty-five degrees Celsius
 32 and one atmosphere of pressure including, but not limited to, crude
 33 oil, bitumen and diluted bitumen, synthetic crude oil, and natural
 34 gas well condensate.
- 35 **Sec. 4.** RCW 90.56.200 and 2000 c 69 s 19 are each amended to 36 read as follows:
- 37 (1) The owner or operator for each onshore and offshore facility,
 38 except as determined in subsection (3) of this section, shall prepare
 39 and submit to the department an oil spill prevention plan in

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- 1 conformance with the requirements of this chapter. The plans shall be
- 2 submitted to the department in the time and manner directed by the
- department. The spill prevention plan may be consolidated with a 3
- spill contingency plan submitted pursuant to RCW 90.56.210. The 4
- department may accept plans prepared to comply with other state or 5
- 6 federal law as spill prevention plans to the extent those plans
- 7 comply with the requirements of this chapter. The department, by
- rule, shall establish standards for spill prevention plans. 8
- 9 (2) The spill prevention plan for an onshore or offshore facility shall: 10
- 11 (a) Establish compliance with the federal oil pollution act of 1990, if applicable, and financial responsibility requirements under 12 13 federal and state law;
- 14 (b) Certify that supervisory and other key personnel in charge of transfer, storage, and handling of oil have received certification 15 pursuant to RCW 90.56.220; 16
- 17 (c) Certify that the facility has an operations manual required by RCW 90.56.230; 18
- (d) Certify the implementation of alcohol and drug use awareness 19 programs; 20

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- (e) Describe the facility's maintenance and inspection program and contain a current maintenance and inspection record of the storage and transfer facilities and related equipment;
 - (f) Describe the facility's alcohol and drug treatment programs;
- (g) Describe spill prevention technology that has been installed, 25 26 including overflow alarms, automatic overflow cut-off switches, secondary containment facilities, and storm water retention, 27 treatment, and discharge systems; 28
- (h) Describe any discharges of oil to the land or the water of 29 more than twenty-five barrels in the prior five years and the 30 31 measures taken to prevent a reoccurrence;
 - (i) Describe the procedures followed by the facility to contain and recover any oil that spills during the transfer of oil to or from the facility;
- (j) Provide for the incorporation into the facility during the 35 36 period covered by the plan of those measures that will provide the best achievable protection for the public health and the environment; 37 38 and

1 (k) Include any other information reasonably necessary to carry 2 out the purposes of this chapter required by rules adopted by the 3 department.

- (3) Plan requirements in subsection (2) of this section are not applicable to railroad facility operators while transporting oil over rail lines of this state.
- (4) The department shall only approve a prevention plan if it provides the best achievable protection from damages caused by the discharge of oil into the waters of the state and if it determines that the plan meets the requirements of this section and rules adopted by the department.
- ((4)) (5) Upon approval of a prevention plan, the department shall provide to the person submitting the plan a statement indicating that the plan has been approved, the facilities covered by the plan, and other information the department determines should be included.
- (((5))) <u>(6)</u> The approval of a prevention plan shall be valid for five years. An owner or operator of a facility shall notify the department in writing immediately of any significant change of which it is aware affecting its prevention 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 prevention plan as a result of these changes.
- $((\frac{(6)}{(6)}))$ The department by rule shall require prevention plans to be reviewed, updated, if necessary, and resubmitted to the department at least once every five years.
- ((+7)) (8) Approval of a prevention plan by the department does not constitute an express assurance regarding the adequacy of the plan nor constitute a defense to liability imposed under this chapter or other state law.
- (((8))) This section does not authorize the department to modify the terms of a collective bargaining agreement.
- **Sec. 5.** RCW 90.56.210 and 2005 c 78 s 1 are each amended to read as follows:
- 35 (1) Each onshore and offshore facility shall have a contingency 36 plan for the containment and cleanup of oil spills from the facility 37 into the waters of the state and for the protection of fisheries and 38 wildlife, shellfish beds, natural resources, and public and private 39 property from such spills. The department shall by rule adopt and

1 periodically revise standards for the preparation of contingency plans. The department shall require contingency plans, at a minimum, 2 to meet the following standards: 3

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- (a) Include full details of the method of response to spills of various sizes from any facility 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 10 11 plan relates to and is integrated into relevant contingency plans 12 which have been prepared by cooperatives, ports, regional entities, the state, and the federal government; 13
 - (d) Provide procedures for early detection of oil 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;
 - (f) Incorporate periodic training and drill programs to evaluate whether personnel and equipment provided 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. The departments of ecology, fish and wildlife, and natural resources, and the ((office)) department of archaeology and historic preservation, upon request, shall provide information that they have available to preparing this description. The description 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;
 - (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) Provide arrangements for the prepositioning of oil spill 37 containment and cleanup equipment and trained personnel at strategic 38 locations from which they can be deployed to the spill site to 39 40 promptly and properly remove the spilled oil;

- 1 (j) Provide arrangements for enlisting the use of qualified and trained cleanup personnel to implement the plan; 2
- (k) Provide for disposal of recovered spilled oil in accordance 3 with local, state, and federal laws; 4
- (1) Until a spill prevention plan has been submitted pursuant to 5 6 RCW 90.56.200, state the measures that have been taken to reduce the likelihood that a spill will occur, including but not limited to, 7 design and operation of a facility, training of personnel, number of 8 personnel, and backup systems designed to prevent a spill; 9
- (m) State the amount and type of equipment available to respond 10 11 to a spill, where the equipment is located, and the extent to which other contingency plans rely on the same equipment; and 12
- (n) If the department has adopted rules permitting the use of 13 dispersants, the circumstances, if any, and the manner for the 14 application of the dispersants in conformance with the department's 15 16 rules.
- 17 (2)(a) The following shall submit contingency plans to the department within six months after the department adopts rules 18 establishing standards for contingency plans under subsection (1) of 19 this section: 20
- 21 (i) Onshore facilities capable of storing one million gallons or more of oil; and 22
 - (ii) Offshore facilities.

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- (b) Contingency plans for all other onshore and offshore facilities 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) The department by rule shall determine the contingency plan requirements for railroads transporting oil in bulk. Federal oil spill response plans created pursuant to 33 U.S.C. Sec. 1321 may be submitted in lieu of contingency plans until state rules are adopted.
- (4)(a) The owner or operator of a facility shall submit the 33 contingency plan for the facility. 34
- (b) A person who has contracted with a facility to provide 35 36 containment and cleanup services and who meets the standards established pursuant to RCW 90.56.240, may submit the plan for any 37 facility for which the person is contractually obligated to provide 38 services. Subject to conditions imposed by the department, the person 39 may submit a single plan for more than one facility. 40

((\(\frac{4+}{4}\)\)) (5) 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.

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- 8 $((\frac{5}{}))$ (6) In reviewing the contingency plans required by this 9 section, the department shall consider at least the following 10 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;
- 16 (b) The nature and amount of vessel traffic within the area 17 covered by the plan;
 - (c) The volume and type of oil being transported within the area covered by the plan;
- 20 (d) The existence of navigational hazards within the area covered 21 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, shellfish beds, and wildlife 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 department; 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.
 - $((\frac{6}{}))$ (7) 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.
- $((\frac{(+7)}{(+7)}))$ (8) 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 facilities or vessels

1 covered by the plan, and other information the department determines 2 should be included.

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- $((\frac{8}{8}))$ (9) An owner or operator of a facility 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.
- $((\frac{9}{10}))$ The department by rule shall require contingency 9 plans to be reviewed, updated, if necessary, and resubmitted to the 10 11 department at least once every five years.
- (((10))) (11) Approval of a contingency plan by the department 12 13 does not constitute an express assurance regarding the adequacy of 14 the plan nor constitute a defense to liability imposed under this chapter or other state law. 15
- 16 **Sec. 6.** RCW 90.56.500 and 2009 c 11 s 9 are each amended to read 17 as follows:
 - (1) The state oil spill response account is created in the state treasury. All receipts from RCW 82.23B.020(1) shall be deposited in the account. All costs reimbursed to the state by a responsible party or any other person for responding to a spill of oil shall also be deposited in the account. Moneys in the account shall be spent only after appropriation. The account is subject to allotment procedures under chapter 43.88 RCW.
 - (2) The account shall be used exclusively to pay for:
- (a) The costs associated with the response to spills or threats 26 27 of spills of crude oil or petroleum products into the ((navigable)) waters of the state; and 28
- (b) The costs associated with the department's use of ((the)) an 29 30 emergency response towing vessel ((as described in RCW 88.46.135)).
 - (3) Payment of response costs under subsection (2)(a) of this section shall be limited to spills which the director has determined are likely to exceed ((fifty)) one thousand dollars.
- 34 (4) Before expending moneys from the account, but without 35 <u>delaying response activities</u>, the director shall make reasonable efforts to obtain funding for response costs under subsection (2) of 36 37 this section from the person responsible for the spill and from other sources, including the federal government. 38

- 1 (5) Reimbursement for response costs <u>from this account</u> shall be allowed only for costs which are not covered by funds appropriated to 2 the agencies responsible for response activities. Costs associated 3 with the response to spills of crude oil or petroleum products shall 4 include: 5
 - (a) Natural resource damage assessment and related activities;
- 7 related response, containment, wildlife rescue, Spill cleanup, disposal, and associated costs; 8

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- (c) Interagency coordination and public information related to a 9 response; and 10
- 11 (d) Appropriate travel, goods and services, contracts, and 12 equipment.
- 13 **Sec. 7.** RCW 90.56.510 and 2000 c 69 s 22 are each amended to read as follows: 14
- 15 (1) The oil spill prevention account is created in the state treasury. All receipts from RCW 82.23B.020(2) shall be deposited in 16 the account. Moneys from the account may be spent only after 17 appropriation. The account is subject to allotment procedures under 18 chapter 43.88 RCW. If, on the first day of any calendar month, the 19 20 balance of the oil spill response account is greater than nine 21 million dollars and the balance of the oil spill prevention account exceeds the unexpended appropriation for the current biennium, then 22 the tax under RCW 82.23B.020(2) shall be suspended on the first day 23 24 of the next calendar month until the beginning of the following 25 biennium, provided that the tax shall not be suspended during the last six months of the biennium. If the tax imposed under RCW 26 27 82.23B.020(2) is suspended during two consecutive biennia, the department shall by November 1st after the end of the second 28 biennium, recommend to the appropriate standing committees 29 30 adjustment in the tax rate. For the biennium ending June 30, 1999, and the biennium ending June 30, 2001, the state treasurer may 31 transfer a total of up to one million dollars from the oil spill 32 response account to the oil spill prevention account to support 33 appropriations made from the oil spill prevention account in the 34 omnibus appropriations act adopted not later than June 30, 1999. 35
 - (2) Expenditures from the oil spill prevention account shall be used exclusively for the administrative costs related to the purposes of this chapter, and chapters 90.48, 88.40, and 88.46 RCW. addition, until June 30, 2019, expenditures from the oil spill

- 1 prevention account may be used for the development and annual review
- of local emergency planning committee emergency response plans in RCW 2
- 38.52.040(3). Starting with the 1995-1997 biennium, the legislature 3
- shall give activities of state agencies related to prevention of oil 4
- spills priority in funding from the oil spill prevention account. 5
- 6 Costs of prevention include the costs of:
 - (a) Routine responses not covered under RCW 90.56.500;
 - (b) Management and staff development activities;
- (c) Development of rules and policies and the statewide plan 9 provided for in RCW 90.56.060; 10
- 11 (d) Facility and vessel plan review and approval, drills, inspections, investigations, enforcement, and litigation; 12
 - (e) Interagency coordination and public outreach and education;
- 14 (f) Collection and administration of the tax provided for in 15 chapter 82.23B RCW; and
- 16 (g) Appropriate travel, goods and services, contracts, and 17 equipment.
- (3) Before expending moneys from the account for a response under 18 subsection (2)(a) of this section, but without delaying response 19 20 activities, the director shall make reasonable efforts to obtain funding for response costs under this section from the person 21 responsible for the spill and from other sources, including the 22
- federal government. 23

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- 24 <u>NEW SECTION.</u> **Sec. 8.** A new section is added to chapter 90.56 25 RCW to read as follows:
- (1)(a) A facility that receives crude oil from a railroad car 26 27 must provide advance notice to the department that the facility will receive crude oil from a railroad car, as provided in this section. 28 The advance notice must include the route taken to the facility 29 30 within the state, if known, and the scheduled time, location, volume, type, and gravity as measured by standards developed by the American 31 petroleum institute, of crude oil received. Each week, a facility 32 that provides advance notice under this section must provide the 33 required information regarding the scheduled arrival of railroad cars 34 35 carrying crude oil to be received by the facility in the succeeding seven-day period. A facility is not required to provide advance 36 notice when there is no receipt of crude oil from a railroad car 37 scheduled for a seven-day period. 38

(b) Twice per year, pipelines must report to the department the following information about the crude oil transported by the pipeline through the state: The volume of crude oil, the type of crude oil, and the types of diluting agents used in the crude oil. This report must be submitted each year by July 31st for the period January 1st through June 30th and by January 31st for the period July 1st through December 31st.

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- (2) The department may share information provided by a facility through the advance notice system established in this section with the state emergency management division and any county, city, tribal, port, or local government emergency response agency upon request.
- (3) The department must publish information collected under this section on a quarterly basis on the department's internet web site. With respect to the information reported under subsection (1)(a) of this section, the information published by the department must be aggregated on a statewide basis by route through the state, by week, and by type of crude oil. The report may also include other information available to the department including, but not limited to, place of origin, modes of transport, number of railroad cars delivering crude oil, and number and volume of spills during transport and delivery.
- (4)(a) A facility providing advance notice under this section is not responsible for meeting advance notice time frame requirements under subsection (1) of this section in the event that the schedule of arrivals of railroad cars carrying crude oil changes during a seven-day period.
- (b) Twice per year, a facility must submit a report to the department that corrects inaccuracies in the advanced notices submitted under subsection (1) of this section. The facility is not required to correct in the report any insubstantial discrepancies between actual and scheduled train arrival times. The report must be submitted each year by July 31st for the period January 1st through June 30th and by January 31st for the period July 1st through December 31st.
- (5) Consistent with the requirements of chapter 42.56 RCW, the department and any state, local, tribal, or public agency that receives information provided under this section may not disclose any such information to the public or to nongovernmental entities that is aggregated and that contains proprietary, commercial, financial information. The requirement for aggregating information

- 1 does not apply when information is shared by the department with emergency response agencies as provided in subsection (2) of this 2
- section. 3
- (6) The department shall adopt rules to implement this section. 4
- The advance notice system required in this section must be consistent 5
- 6 with the oil transfer reporting system adopted by the department
- 7 pursuant to RCW 88.46.165.
- <u>NEW SECTION.</u> **Sec. 9.** A new section is added to chapter 90.56 8 RCW to read as follows: 9
- 10 The department shall periodically evaluate and update planning
- standards for oil spill response equipment required under contingency 11
- plans required by this chapter in order to ensure access in the state 12
- to equipment that represents the best achievable protection to 13
- respond to a worst case spill and provide for continuous operation of 14
- 15 oil spill response activities to the maximum extent practicable and
- 16 without jeopardizing crew safety, as determined by the incident
- 17 commander or the unified command.
- 18 Sec. 10. RCW 88.40.011 and 2007 c 347 s 4 are each amended to 19 read as follows:
- The definitions in this section apply throughout this chapter 20 unless the context clearly requires otherwise. 21
- 22 (1) "Barge" means a vessel that is not self-propelled.
- (2) "Cargo vessel" means a self-propelled ship in commerce, other 23 24 than a tank vessel, fishing vessel, or a passenger vessel, of three 25 hundred or more gross tons.
- 26 (3) "Bulk" means material that is stored or transported in a loose, unpackaged liquid, powder, or granular form capable of being 27 conveyed by a pipe, bucket, chute, or belt system. 28
- 29 (4) "Covered vessel" means a tank vessel, cargo vessel, passenger vessel. 30
- (5) "Department" means the department of ecology. 31
- (6) "Director" means the director of the department of ecology. 32
- 33 (7)(a) "Facility" means any structure, group of structures, equipment, pipeline, or device, other than a vessel, located on or 34
- near the navigable waters of the state that transfers oil in bulk to 35
- or from any vessel with an oil carrying capacity over two hundred 36
- fifty barrels or pipeline, that is used for producing, storing, 37
- handling, transferring, processing, or transporting oil in bulk. 38

(b) For the purposes of oil spill contingency planning in RCW 90.56.210, advanced notice of oil transfers in section 8 of this act, and financial responsibility in RCW 88.40.025, facility also means a railroad that is not owned by the state that transports oil as bulk cargo.

- (c) 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.
- 15 (8) "Fishing vessel" means a self-propelled commercial vessel of 16 three hundred or more gross tons that is used for catching or 17 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))) 102(a) 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:
 - (a) Wastes listed as F001 through F028 in Table 302.4; and
 - (b) Wastes listed as K001 through K136 in Table 302.4.
 - (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) "Oil" or "oils" means oil of any kind that is liquid at ((atmospheric temperature)) twenty-five degrees Celsius and one atmosphere of pressure and any fractionation thereof, including, but not limited to, crude oil, bitumen, synthetic crude oil, natural gas well condensate, petroleum, gasoline, fuel oil, diesel biological oils and blends, oil sludge, oil refuse, and oil mixed with wastes other than 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 $((\frac{101(14)}{14}))$ $\frac{102(a)}{102(a)}$ of the federal 1 2 comprehensive environmental response, compensation, and liability act of 1980, as amended by P.L. 99-499. 3
- (13) "Offshore facility" means any facility located in, on, or 4 under any of the navigable waters of the state, but does not include 5 6 a facility any part of which is located in, on, or under any land of 7 the state, other than submerged land.
- (14) "Onshore facility" means any facility any part of which is 8 located in, on, or under any land of the state, other than submerged 9 land, that because of its location, could reasonably be expected to 10 11 cause substantial harm to the environment by discharging oil into or on the navigable waters of the state or the adjoining shorelines. 12
- (15)(a) "Owner or operator" means (i) in the case of a vessel, 13 any person owning, operating, or chartering by demise, the vessel; 14 (ii) in the case of an onshore or offshore facility, any person 15 owning or operating the facility; and (iii) in the case of an 16 abandoned vessel or onshore or offshore facility, the person who 17 owned or operated the vessel or facility immediately before its 18 abandonment. 19
- 20 (b) "Operator" does not include any person who owns the land 21 underlying a facility if the person is not involved in the operations 22 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.
- 26 (17) "Ship" means any boat, ship, vessel, barge, or other 27 floating craft of any kind.
- (18) "Spill" means an unauthorized discharge of oil into the 28 29 waters of the state.
- (19) "Tank vessel" means a ship that is constructed or adapted to 30 31 carry, or that carries, oil in bulk as cargo or cargo residue, and that: 32
 - (a) Operates on the waters of the state; or

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- 34 (b) Transfers oil in a port or place subject to the jurisdiction 35 of this state.
- 36 (20)"Waters of the state" includes lakes, rivers, ponds, streams, inland waters, underground water, salt waters, estuaries, 37 tidal flats, beaches and lands adjoining the seacoast of the state, 38 sewers, and all other surface waters and watercourses within the 39 jurisdiction of the state of Washington. 40

- (21) "Certificate of financial responsibility" means an official 1 written acknowledgment issued by the director or the director's 2 designee that an owner or operator of a covered vessel or facility, 3 or the owner of the oil, has demonstrated to the satisfaction of the 4 director or the director's designee that the relevant entity has the 5 6 financial ability to pay for costs and damages caused by an oil 7 spill.
- Sec. 11. RCW 88.40.020 and 2003 c 91 s 3 and 2003 c 56 s 3 are 8 each reenacted and amended to read as follows: 9

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- (1) Any barge that transports hazardous substances in bulk as cargo, using any port or place in the state of Washington or the navigable waters of the state shall establish evidence of financial responsibility in the amount of the greater of five million dollars, or three hundred dollars per gross ton of such vessel.
- (2)(a) Except as provided in (b) or (c) of this subsection, a tank vessel that carries oil as cargo in bulk shall demonstrate financial responsibility to pay at least five hundred million dollars. The amount of financial responsibility required under this subsection is one billion dollars after January 1, 2004.
- (b) The director by rule may establish a lesser standard of financial responsibility for tank vessels of three hundred gross tons or less. The standard shall set the level of financial responsibility based on the quantity of cargo the tank vessel is capable of carrying. The director shall not set the standard for tank vessels of three hundred gross tons or less below that required under federal law.
- (c) The owner or operator of a tank vessel who is a member of an international protection and indemnity mutual organization and is covered for oil pollution risks up to the amounts required under this section is not required to demonstrate financial responsibility under this chapter. The director may require the owner or operator of a tank vessel to prove membership in such an organization.
- (3)(a) A cargo vessel or passenger vessel that carries oil as fuel shall demonstrate financial responsibility to pay at least three hundred million dollars. However, a passenger vessel that transports passengers and vehicles between Washington state and a country shall demonstrate financial responsibility to pay the greater of at least six hundred dollars per gross ton or five hundred thousand dollars.

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

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- (4) A fishing vessel while on the navigable waters of the state 8 must demonstrate financial responsibility in the following amounts: 9 fishing vessel carrying predominantly nonpersistent 10 11 product, one hundred thirty-three dollars and forty cents per 12 incident, for each barrel of total oil storage capacity, persistent and nonpersistent product, on the vessel or one million three hundred 13 thirty-four thousand dollars, whichever is greater; or (b) for a 14 fishing vessel carrying predominantly persistent product, four 15 16 hundred dollars and twenty cents per incident, for each barrel of 17 total oil storage capacity, persistent product and nonpersistent 18 product, on the vessel or six million six hundred seventy thousand 19 dollars, whichever is greater.
 - ((documentation of financial responsibility shall demonstrate the ability of the document holder to meet state and federal financial liability requirements for the actual costs for removal of oil spills, for natural resource damages, and for necessary expenses)) certificate of financial responsibility is conclusive evidence that the person or entity holding the certificate is the party responsible for the specified vessel, facility, or oil for purposes of determining liability pursuant to this chapter.
- 28 (6) This section shall not apply to a covered vessel owned or 29 operated by the federal government or by a state or local government.
- 30 Sec. 12. RCW 88.40.025 and 1991 c 200 s 704 are each amended to read as follows: 31

An onshore or offshore facility shall demonstrate financial responsibility in an amount determined by the department as necessary 33 to compensate the state and affected counties and cities for damages 34 that might occur during a reasonable worst case spill of oil from that facility into the navigable waters of the state. The department 36 shall ((consider such matters as the amount of oil that could be 37 spilled into the navigable waters from the facility, the cost of cleaning up the spilled oil, the frequency of operations at the

- 1 facility, the damages that could result from the spill and the commercial availability and affordability of financial 2 responsibility)) adopt by rule an amount that will be calculated by 3 multiplying the reasonable per barrel cleanup and damage cost of 4 spilled oil, times the reasonable worst case spill volume, as 5 6 measured in barrels. This section shall not apply to an onshore or 7 offshore facility owned or operated by the federal government or by the state or local government. 8
- 9 RCW 88.40.030 and 2000 c 69 s 32 are each amended to 10 read as follows:
- 11 (1) Financial responsibility required by this chapter may be established by any one of, or a combination of, the following methods 12 13 acceptable to the department of ecology: $((\frac{1}{1}))$ (a) Evidence of insurance; $((\frac{2}{2}))$ (b) surety bonds; $((\frac{3}{2}))$ (c) qualification as a 14 15 self-insurer; ((or (4))) (d) guaranty; (e) letter of credit; (f) 16 certificate of deposits; (g) protection and indemnity club membership; or (h) other evidence of financial responsibility. Any 17 bond filed shall be issued by a bonding company authorized to do 18 business in the United States. Documentation of such financial 19 20 responsibility shall be kept on any covered vessel and filed with the 21 department at least twenty-four hours before entry of the vessel into the navigable waters of the state. A covered vessel is not required 22 to file documentation of financial responsibility twenty-four hours 23 24 before entry of the vessel into the navigable waters of the state, if 25 the vessel has filed documentation of financial responsibility with the federal government, and the level of financial responsibility 26 27 required by the federal government is the same as or exceeds state 28 requirements. The owner or operator of the vessel may file with the department a certificate evidencing compliance with the requirements 29 30 of another state's or federal financial responsibility requirements if the state or federal government requires a level of financial 31 responsibility the same as or greater than that required under this 32 33 chapter.
- (2) A certificate of financial responsibility may not have a term 34 35 greater than one year.
- 36 RCW 88.40.040 and 2003 c 56 s 4 are each amended to Sec. 14. 37 read as follows:

(1) ((It is unlawful for any vessel required to have financial responsibility under this chapter to enter or operate on Washington waters without meeting the requirements of this chapter or rules adopted under this chapter, except)) A vessel or facility need not demonstrate financial responsibility under this chapter prior to using any port or place in the state of Washington or the navigable waters of the state when necessary to avoid injury to the vessel's or facility's crew or passengers. Any vessel owner or operator that does not meet the financial responsibility requirements of this chapter and any rules prescribed thereunder or the federal oil pollution act of 1990 shall be reported by the department to the United States coast guard.

- (2) ((The department shall enforce section 1016 of the federal oil pollution act of 1990 as authorized by section 1019 of the federal act.)) Upon notification of an oil spill or discharge or other action or potential liability, the director shall reevaluate the validity of the certificate of financial responsibility. If the director determines that, because of a spill outside of the state or some other action or potential liability, the holder of a certificate may not have the financial resources to pay damages for the oil spill or discharge or other action or potential liability and have resources remaining available to meet the requirements of this chapter, the director may suspend or revoke the certificate.
- (3) An owner or operator of more than one covered vessel, more than one facility, or one or more vessels and facilities, is only required to obtain a single certificate of financial responsibility that applies to all of the owner or operator's vessels and facilities.
- (4) If a person holds a certificate for more than one covered vessel or facility and a spill or spills occurs from one or more of those vessels or facilities for which the owner or operator may be liable for damages in an amount exceeding five percent of the financial resources reflected by the certificate, as determined by the director, the certificate is immediately considered inapplicable to any vessel or facility not associated with the spill. In that event, the owner or operator shall demonstrate to the satisfaction of the director the amount of financial ability required pursuant to this chapter, as well as the financial ability to pay all damages that arise or have arisen from the spill or spills that have occurred.

Sec. 15. RCW 88.16.170 and 1991 c 200 s 601 are each amended to 2 read as follows:

Because of the danger of spills, the legislature finds that the transportation of crude oil and refined petroleum products by tankers on the Columbia river, Grays Harbor, and on Puget Sound and adjacent waters creates a great potential hazard to important natural resources of the state and to jobs and incomes dependent on these resources.

The legislature recognizes that the Columbia river has many natural obstacles to navigation and shifting navigation channels that create the risk of an oil spill. The legislature also recognizes Grays Harbor and Puget Sound and adjacent waters are ((a)) relatively confined salt water environments with irregular shorelines and therefore there is a greater than usual likelihood of long-term damage from any large oil spill.

The legislature further recognizes that certain areas of the Columbia river, Grays Harbor, and Puget Sound and adjacent waters have limited space for maneuvering a large oil tanker and that these waters contain many natural navigational obstacles as well as a high density of commercial and pleasure boat traffic.

For these reasons, it is important that large oil tankers be piloted by highly skilled persons who are familiar with local waters and that such ((tankers)) vessels have sufficient capability for rapid maneuvering responses.

It is therefore the intent and purpose of RCW 88.16.180 and 88.16.190 to decrease the likelihood of oil spills on the Columbia river, Grays Harbor, and on Puget Sound and its shorelines by ((requiring all oil tankers above a certain size to employ licensed pilots and to be escorted by a tug or tugs while navigating on certain areas of Puget Sound and adjacent waters)) establishing safety requirements that comprehensively address spill risks, which may include the establishment of tug escorts and other measures to mitigate safety risks in certain state waters.

- **Sec. 16.** RCW 88.16.190 and 1994 c 52 s 1 are each amended to 35 read as follows:
- (1) ((Any oil tanker, whether enrolled or registered, of greater than one hundred and twenty-five thousand deadweight tons shall be prohibited from proceeding beyond a point east of a line extending from Discovery Island light south to New Dungeness light.

- 1 (2) An oil tanker, whether enrolled or registered, of forty to
 2 one hundred and twenty-five thousand deadweight tons may proceed
 3 beyond the points enumerated in subsection (1) if such tanker
 4 possesses all of the following standard safety features:
 - (a) Shaft horsepower in the ratio of one horsepower to each two and one-half deadweight tons; and
 - (b) Twin screws; and

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- 8 (c) Double bottoms, underneath all oil and liquid cargo 9 compartments; and
- 10 (d) Two radars in working order and operating, one of which must
 11 be collision avoidance radar; and
 - (e) Such other navigational position location systems as may be prescribed from time to time by the board of pilotage commissioners:

PROVIDED, That, if such forty to one hundred and twenty-five thousand deadweight ton tanker is in ballast or is under escort of a tug or tugs with an aggregate shaft horsepower equivalent to five percent of the deadweight tons of that tanker, subsection (2) of this section shall not apply: PROVIDED FURTHER, That additional tug shaft horsepower equivalencies may be required under certain conditions as established by rule and regulation of the Washington utilities and transportation commission pursuant to chapter 34.05 RCW: PROVIDED FURTHER, That)) (a) Except as provided in subsection (2) of this section, an oil tanker of greater than forty thousand deadweight tons may operate in the waters east of a line extending from Discovery Island light south to New Dungeness light and all points in the Puget Sound area, to the extent that these waters are within the territorial boundaries of Washington, only if the oil tanker is under the escort of a tug or tugs in compliance with the requirements of subsection (3) of this section.

(b) The state board of pilotage commissioners, in consultation with the department of ecology and relying on the results of vessel traffic risk assessments, shall adopt rules by June 30, 2017, to implement this subsection (1)(b). These rules may include tug escort requirements and other safety measures for oil tankers of greater than forty thousand deadweight tons, all articulated tug barges, and other towed waterborne vessels or barges. The rules adopted under this subsection may not include rules to require that oil tankers of greater than forty thousand deadweight tons be escorted by more than one escort tug. The geographic scope of the rules must be limited to the narrow channels of the San Juan Islands archipelago, including

- 1 Rosario Strait, Haro Strait, Boundary Pass, and connected waterways.
- 2 In order to adopt a rule under this section, the board of pilotage
- 3 commissioners must determine that the results of a vessel traffic
- 4 risk assessment provide evidence that the rules are necessary in
- 5 order to achieve best achievable protection as defined in RCW
- 6 <u>88.46.010.</u>

- 7 (2)(a) If an oil tanker, articulated tug barge, or other towed
- 8 waterborne vessel or barge is in ballast, the tug escort requirements
- 9 of subsection (1)(a) of this section and any tug escort rules adopted
- 10 pursuant to subsection (1)(b) of this section do not apply.
- 11 (b) If an oil tanker is a single-hulled oil tanker of greater
- 12 than five thousand gross tons, the requirements of subsection (1)(a)
- of this section do not apply and the oil tanker must instead comply
- 14 with 33 C.F.R. Part 168, as of the effective date of this section.
- 15 (3) Oil tankers of greater than forty thousand deadweight tons,
- 16 all articulated tug barges, and other towed waterborne vessels or
- 17 barges must ensure that any escort tugs they use have an aggregate
- 18 shaft horsepower equivalent to at least five percent of the
- 19 <u>deadweight tons of the escorted oil tanker or articulated tug barge.</u>
- 20 The state board of pilotage commissioners may adopt rules to ensure
- 21 that escort tugs have sufficient mechanical capabilities to provide
- 22 for safe escort. Rules adopted on this subject must be designed to
- 23 <u>achieve best achievable protection as defined under RCW 88.46.010.</u>
- 24 <u>(4) A</u> tanker assigned a deadweight of <u>equal to or</u> less than forty 25 thousand deadweight tons at the time of construction or
- 26 reconstruction as reported in Lloyd's Register of Ships is not
- 27 subject to the provisions of RCW 88.16.170 through 88.16.190.
- 28 (5) The provisions adopted under this section may not include any
- 29 rules affecting pilotage. This section does not affect any existing
- 30 authority to establish pilotage requirements.
 - (6) For the purposes of this section:
- 32 (a) "Articulated tug barge" means a tank barge and a towing
- 33 vessel joined by hinged or articulated fixed mechanical equipment
- 34 <u>affixed or connecting to the stern of the tank barge.</u>
- 35 (b) "Oil tanker" means a self-propelled deep draft tank vessel
- 36 <u>designed to transport oil in bulk. "Oil tanker" does not include an</u>
- 37 articulated tug barge tank vessel.
- 38 (c) "Waterborne vessel or barge" means any ship, barge, or other
- 39 watercraft capable of traveling on the navigable waters of this state
- 40 and capable of transporting any crude oil or petroleum product in

- quantities of ten thousand gallons or more for purposes other than 1
- providing fuel for its motor or engine. 2

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- Sec. 17. (1) The department of ecology must 3 NEW SECTION. complete an evaluation and assessment of vessel traffic management 4 5 and vessel traffic safety within and near the mouth of the Columbia river. A draft evaluation and assessment must be completed and 6 submitted to the legislature consistent with RCW 43.01.036 7 December 15, 2017. A final evaluation and assessment must be 8 completed by June 30, 2018. In conducting this evaluation, the 9 10 department of ecology must consult with the United States coast guard, the Oregon board of maritime pilots, Columbia river harbor 11 safety committee, the Columbia river bar pilots, the Columbia river 12 pilots, area tribes, public ports in Oregon and Washington, local 13 governments, and other appropriate entities. 14
 - (2) The evaluation and assessment completed under subsection (1) of this section must include, but is not limited to, an assessment and evaluation of: (a) The need for tug escorts for oil tankers, articulated tug barges, and other towed waterborne vessels or barges; (b) best achievable protection; and (c) required tug capabilities to ensure safe escort of vessels on the waters that are the subject of focus for each water body evaluated under subsection (1) of this section.
 - (3) The assessment and evaluations submitted to the legislature under subsection (1) of this section must include recommendations for vessel traffic management and vessel traffic safety on the Columbia river, including recommendations for tug escort requirements for vessels transporting oil as bulk cargo.
- 28 requirements in this section are All subject to the availability of amounts appropriated for the specific purposes 29 30 described.
- NEW SECTION. Sec. 18. A new section is added to chapter 88.16 31 RCW to read as follows: 32
- (1) The board of pilotage commissioners may adopt rules to 33 implement this section. The rules may include tug escort requirements 34 and other safety measures for oil tankers of greater than forty 35 thousand deadweight tons, all articulated tug barges, and other towed 36 waterborne vessels or barges within a two-mile radius of the Grays 37 Harbor pilotage district as defined in RCW 88.16.050. 38

- 1 (2)(a) Prior to proposing a draft rule, the board of pilotage commissioners must consult with the department of ecology, the United 2 States coast guard, the Grays Harbor safety committee, area tribes, 3 public ports, local governments, and other appropriate entities. The 4 board of pilotage commissioners may not adopt rules under this 5 6 section unless a state agency or a local jurisdiction, for a facility 7 within Grays Harbor that is required to have a contingency plan pursuant to chapter 90.56 RCW: 8
- 9 (i) Makes a final determination or issues a final permit after 10 January 1, 2015, to site a new facility; or
- 11 (ii) Provides authority to an existing facility to process or 12 receive crude oil for the first time.
- 13 (b) This subsection does not apply to a transmission pipeline or 14 railroad facility.
 - (3) A rule adopted under this section must:
- 16 (a) Be designed to achieve best achievable protection as defined 17 in RCW 88.46.010;
- 18 (b) Ensure that any escort tugs used have an aggregate shaft 19 horsepower equivalent to at least five percent of the deadweight tons 20 of the escorted oil tanker or articulated tug barge; and
- 21 (c) Ensure that escort tugs have sufficient mechanical 22 capabilities to provide for safe escort.
- 23 (4) The provisions adopted under this section may not include 24 rules affecting pilotage. This section does not affect any existing 25 authority to establish pilotage requirements.
- 26 **Sec. 19.** RCW 82.23B.010 and 1992 c 73 s 6 are each amended to 27 read as follows:
- ((Unless the context clearly requires otherwise,)) The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
- 31 (1) "Barrel" means a unit of measurement of volume equal to 32 forty-two United States gallons of crude oil or petroleum product.
- (2) any naturally occurring ((liquid)) 33 "Crude oil" means 34 hydrocarbons ((at atmospheric temperature and pressure coming from the earth, including condensate and natural gasoline)) coming from 35 the earth that are liquid at twenty-five degrees Celsius and one 36 atmosphere of pressure including, but not limited to, crude oil, 37 38 bitumen and diluted bitumen, synthetic crude oil, and natural gas
- 39 well condensate.

1 (3) "Department" means the department of revenue.

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- 2 (4) "Marine terminal" means a facility of any kind, other than a 3 waterborne vessel, that is used for transferring crude oil or 4 petroleum products to or from a waterborne vessel or barge.
 - (5) "Navigable waters" means those waters of the state and their adjoining shorelines that are subject to the ebb and flow of the tide, including the Columbia and Snake rivers.
 - (6) "Person" has the meaning provided in RCW 82.04.030.
 - (7) "Petroleum product" means any liquid hydrocarbons at atmospheric temperature and pressure that are the product of the fractionation, distillation, or other refining or processing of crude oil, and that are used as, useable as, or may be refined as a fuel or fuel blendstock, including but not limited to, gasoline, diesel fuel, aviation fuel, bunker fuel, and fuels containing a blend of alcohol and petroleum.
 - (8) "Taxpayer" means the person owning crude oil or petroleum products immediately after receipt of the same into the storage tanks of a marine or bulk oil terminal in this state ((from a waterborne vessel or barge)) and who is liable for the taxes imposed by this chapter.
 - (9) "Waterborne vessel or barge" means any ship, barge, or other watercraft capable of ((travelling)) traveling on the navigable waters of this state and capable of transporting any crude oil or petroleum product in quantities of ten thousand gallons or more for purposes other than providing fuel for its motor or engine.
- 26 (10) "Bulk oil terminal" means a facility of any kind, other than 27 a waterborne vessel, that is used for transferring crude oil or 28 petroleum products from a tank car or pipeline.
- 29 <u>(11) "Tank car" means a rail car, the body of which consists of a</u> 30 <u>tank for transporting liquids.</u>
- 31 **Sec. 20.** RCW 82.23B.020 and 2006 c 256 s 2 are each amended to read as follows:
- (1) An oil spill response tax is imposed on the privilege of receiving: (a) Crude oil or petroleum products at a marine terminal within this state from a waterborne vessel or barge operating on the navigable waters of this state; (b) crude oil or petroleum products at a bulk oil terminal within this state from a tank car; or (c) crude oil or petroleum products at a bulk oil terminal within this state from a pipeline. The tax imposed in this section is levied upon

the owner of the crude oil or petroleum products immediately after receipt of the same into the storage tanks of a marine or bulk oil terminal from a tank car, pipeline, or waterborne vessel or barge at the rate of one cent per barrel of crude oil or petroleum product received.

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- (2) In addition to the tax imposed in subsection (1) of this section, an oil spill administration tax is imposed on the privilege of receiving: (a) Crude oil or petroleum products at a marine terminal within this state from a waterborne vessel or barge operating on the navigable waters of this state; (b) crude oil or petroleum products at a bulk oil terminal within this state from a tank car; and (c) crude oil or petroleum products at a bulk oil terminal within this state from a pipeline. The tax imposed in this section is levied upon the owner of the crude oil or petroleum products immediately after receipt of the same into the storage tanks of a marine or bulk oil terminal from a tank car, pipeline, or waterborne vessel or barge at the rate of ((four)) eight cents per barrel of crude oil or petroleum product.
- (3) The taxes imposed by this chapter ((shall)) must be collected by the marine or bulk oil terminal operator from the taxpayer. If any person charged with collecting the taxes fails to bill the taxpayer for the taxes, or in the alternative has not notified the taxpayer in writing of the ((imposition of the)) taxes imposed, or having collected the taxes, fails to pay them to the department in the manner prescribed by this chapter, whether such failure is the result of the person's own acts or the result of acts or conditions beyond the person's control, he or she ((shall)), nevertheless, ((be)) is personally liable to the state for the amount of the taxes. Payment of the taxes by the owner to a marine or bulk oil terminal operator ((shall)) relieves the owner from further liability for the taxes.
- (4) Taxes collected under this chapter ((shall)) must be held in trust until paid to the department. Any person collecting the taxes who appropriates or converts the taxes collected ((shall be)) is guilty of a gross misdemeanor if the money required to be collected is not available for payment on the date payment is due. The taxes required by this chapter to be collected ((shall)) must be stated separately from other charges made by the marine or bulk oil terminal operator in any invoice or other statement of account provided to the taxpayer.

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

- (6) The taxes ((shall be)) are due from the marine or bulk oil terminal operator, along with reports and returns on forms prescribed by the department, within twenty-five days after the end of the month in which the taxable activity occurs.
- (7) The amount of taxes, until paid by the taxpayer to the marine or bulk oil terminal operator or to the department, ((shall)) constitutes a debt from the taxpayer to the marine or bulk oil terminal operator. Any person required to collect the taxes under this chapter who, with intent to violate the provisions of this chapter, fails or refuses to do so as required and any taxpayer who refuses to pay any taxes due under this chapter, ((shall be)) is guilty of a misdemeanor as provided in chapter 9A.20 RCW.
- (8) Upon prior approval of the department, the taxpayer may pay the taxes imposed by this chapter directly to the department. The department ((shall)) must give its approval for direct payment under this section whenever it appears, in the department's judgment, that direct payment will enhance the administration of the taxes imposed under this chapter. The department ((shall)) must provide by rule for the issuance of a direct payment certificate to any taxpayer qualifying for direct payment of the taxes. Good faith acceptance of a direct payment certificate by a terminal operator ((shall)) relieves the marine or bulk oil terminal operator from any liability for the collection or payment of the taxes imposed under this chapter.
- (9) All receipts from the tax imposed in subsection (1) of this section ((shall)) <u>must</u> be deposited into the state oil spill response account. All receipts from the tax imposed in subsection (2) of this section shall be deposited into the oil spill prevention account.
- (10) Within forty-five days after the end of each calendar quarter, the office of financial management ((shall)) must determine the balance of the oil spill response account as of the last day of that calendar quarter. Balance determinations by the office of financial management under this section are final and ((shall)) may not be used to challenge the validity of any tax imposed under this chapter. The office of financial management ((shall)) must promptly

- notify the departments of revenue and ecology of the account balance 1
- once a determination is made. For each subsequent calendar quarter, 2
- the tax imposed by subsection (1) of this section shall be imposed 3
- during the entire calendar quarter unless: 4
- (a) Tax was imposed under subsection (1) of this section during 5
- 6 the immediately preceding calendar quarter, and the most recent
- 7 quarterly balance is more than nine million dollars; or
- (b) Tax was not imposed under subsection (1) of this section 8
- during the immediately preceding calendar quarter, and the most 9
- recent quarterly balance is more than eight million dollars. 10
- Sec. 21. RCW 82.23B.030 and 1992 c 73 s 9 are each amended to 11
- 12 read as follows:
- 13 The taxes imposed under this chapter ((shall)) only apply to the
- first receipt of crude oil or petroleum products at a marine or bulk 14
- oil terminal in this state and not to the later transporting and 15
- subsequent receipt of the same oil or petroleum product, whether in 16
- 17 the form originally received at a marine or bulk oil terminal in this
- state or after refining or other processing. 18
- 19 Sec. 22. RCW 82.23B.040 and 1992 c 73 s 10 are each amended to
- read as follows: 20
- Credit ((shall)) <u>must</u> be allowed against the taxes imposed under 21
- 22 this chapter for any crude oil or petroleum products received at a
- 23 marine or bulk oil terminal and subsequently exported from or sold
- 24 for export from the state.
- 25 Sec. 23. RCW 38.52.040 and 2011 1st sp.s. c 21 s 27, 2011 c 336
- s 789, and 2011 c 79 s 9 are each reenacted and amended to read as 26
- 27 follows:
- 28 (1) There is hereby created the emergency management council
- (hereinafter called the council), to consist of not more than 29
- seventeen members who shall be appointed by the adjutant general. The 30
- membership of the council shall include, but not be limited to, 31
- representatives of city and county governments, sheriffs and police 32
- 33 chiefs, the Washington state patrol, the military department, the
- department of ecology, state and local fire chiefs, seismic safety 34
- 35 experts, state and local emergency management directors, search and
- rescue volunteers, medical professions who 36 have expertise
- emergency medical care, building officials, and private industry. The 37

representatives of private industry shall include persons knowledgeable in emergency and hazardous materials management. The councilmembers shall elect a chair from within the council membership. The members of the council shall serve without compensation, but may be reimbursed for their travel expenses incurred in the performance of their duties in accordance with RCW 43.03.050 and 43.03.060 as now existing or hereafter amended.

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- (2) The emergency management council shall advise the governor and the director on all matters pertaining to state and local emergency management. The council may appoint such ad hoc committees, subcommittees, and working groups as are required to develop specific recommendations for the improvement of emergency management practices, standards, policies, or procedures. The council shall ensure that the governor receives an annual assessment of statewide emergency preparedness including, but not limited to, specific progress on hazard mitigation and reduction efforts, implementation seismic safety improvements, reduction of flood hazards, and coordination of hazardous materials planning and response activities. ((The council or a subcommittee thereof shall periodically convene in special session and serve during those sessions as the state emergency response commission required by P.L. 99-499, the emergency planning and community right-to-know act. When sitting in session as the state emergency response commission, the council shall confine its deliberations to those items specified in federal statutes and state administrative rules governing the coordination of hazardous materials policy.)) The council shall review administrative rules governing state and local emergency management practices recommend necessary revisions to the director.
 - (3) The council or a council subcommittee shall serve and periodically convene in special session as the state emergency response commission required by the emergency planning and community right-to-know act (42 U.S.C. Sec. 11001 et seq.). The state emergency response commission shall conduct those activities specified in federal statutes and regulations and state administrative rules governing the coordination of hazardous materials policy including, but not limited to, review of local emergency planning committee emergency response plans for compliance with the planning requirements in the emergency planning and community right-to-know act (42 U.S.C. Sec. 11001 et seq.). Committees shall annually review their plans to address changed conditions, and submit their plans to

- 1 the state emergency response commission for review when updated, but not less than at least once every five years. The department may 2 employ staff to assist local emergency planning committees in the 3 development and annual review of these emergency response plans, with 4 an initial focus on the highest risk communities through which trains 5 6 that transport oil in bulk travel. By March 1, 2018, the department 7 shall report to the governor and legislature on progress towards compliance with planning requirements. The report must also provide 8 budget and policy recommendations for continued support of local 9 emergency planning. 10
 - (4)(a) The intrastate mutual aid committee is created and is a subcommittee of the emergency management council. The intrastate mutual aid committee consists of not more than five members who must be appointed by the council chair from council membership. The chair of the intrastate mutual aid committee is the military department representative appointed as a member of the council. Meetings of the intrastate mutual aid committee must be held at least annually.

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- (b) In support of the intrastate mutual aid system established in chapter 38.56 RCW, the intrastate mutual aid committee shall develop and update guidelines and procedures to facilitate implementation of the intrastate mutual aid system by member jurisdictions, including but not limited to the following: Projected or anticipated costs; checklists and forms for requesting and providing assistance; recordkeeping; reimbursement procedures; and other implementation issues. These guidelines and procedures are not subject to the rulemaking requirements of chapter 34.05 RCW.
- 27 Sec. 24. RCW 81.24.010 and 2007 c 234 s 21 are each amended to 28 read as follows:
 - (1) Every company subject to regulation by the commission, except those listed in subsection (3) of this section, shall, on or before the date specified by the commission for filing annual reports under RCW 81.04.080, file with the commission a statement on oath showing its gross operating revenue from intrastate operations for the preceding calendar year, or portion thereof, and pay to commission a fee equal to one-tenth of one percent of the first fifty thousand dollars of gross operating revenue, plus two-tenths of one percent of any gross operating revenue in excess of fifty thousand dollars, except railroad companies which shall each pay to the commission a fee ((equal)) of up to ((one)) two and one-half percent

1 of its intrastate gross operating revenue. The commission may, by rule, set minimum fees that do not exceed the cost of collecting the 2 fees. The commission may by rule waive any or all of the minimum fee 3 established pursuant to this section. Any railroad association that 4 qualifies as a nonprofit charitable organization under the federal 5 6 internal revenue code section 501(c)(3) is exempt from the fee 7 required under this subsection.

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- (2) The percentage rates of gross operating revenue to be paid in any one year may be decreased by the commission for any class of companies subject to the payment of such fees, by general order entered before March 1st of such year, and for such purpose railroad companies are classified as class two. Every other company subject to regulation by the commission, for which regulatory fees are not otherwise fixed by law, shall pay fees as herein provided and shall constitute additional classes according to kinds of businesses engaged in.
- 17 This section does not apply to private nonprofit (3) transportation providers, auto transportation companies, charter 18 party carriers and excursion service carriers, solid waste collection 19 20 companies, motor freight carriers, household goods carriers, 21 commercial ferries, and low-level radioactive waste storage 22 facilities.
- 23 NEW SECTION. Sec. 25. A new section is added to chapter 81.44 24 RCW to read as follows:
- 25 Commission employees certified by the federal railroad administration to perform hazardous materials inspections may enter 26 27 the property of any business that receives, ships, or offers for shipment hazardous materials by rail. Entry shall be at a reasonable 28 time and in a reasonable manner. The purpose of entry is limited to 29 30 performing inspections, investigations, or surveillance of equipment, records, and operations relating to the packaging, 31 unloading, or transportation of hazardous materials by rail, pursuant 32 only to the state participation program outlined in 49 C.F.R. Part 33 212. The term "business" is all inclusive and is not limited to 34 35 common carriers or public service companies.
- RCW 81.53.010 and 2013 c 23 s 302 are each amended to 36 Sec. 26. 37 read as follows:

1 The definitions in this section apply throughout this chapter unless the context clearly requires otherwise. 2

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((The term)) (1) "Commission((7))" ((when used in this chapter,)) means the utilities and transportation commission of Washington.

((The term)) (2) "Highway((7))" ((when used in this chapter,)) includes all state and county roads, streets, alleys, avenues, boulevards, parkways, and other public places actually open and in use, or to be opened and used, for travel by the public.

((The term)) (3) "Railroad((7))" $((when used in this chapter_{r}))$ means every railroad, including interurban and suburban electric railroads, by whatsoever power operated, for the public use in the conveyance of persons or property for hire, with all bridges, ferries, tunnels, equipment, switches, spurs, sidings, tracks, stations, and terminal facilities of every kind, used, operated, controlled, managed, or owned by or in connection therewith. The ((said)) term ((shall)) also includes every logging and other industrial railway owned or operated primarily for the purpose of carrying the property of its owners or operators or of a limited class of persons, with all tracks, spurs, and sidings used in connection therewith. The ((said)) term ((shall)) does not include street railways operating within the limits of any incorporated city or town.

((The term)) (4) "Railroad company((7))" ((when used in this chapter,)) includes every corporation, company, association, joint stock association, partnership, or person, its, their, or his or her lessees, trustees, or receivers appointed by any court whatsoever, owning, operating, controlling, or managing any railroad((, as that term is defined in this section)).

((The term)) (5) "Over-crossing((τ))" ((when used in thischapter,)) means any point or place where a highway crosses a railroad by passing above the same. "Over-crossing" also means any point or place where one railroad crosses another railroad not at grade.

((The term)) (6) "Under-crossing((7))" ((when used in this chapter,)) means any point or place where a highway crosses a railroad by passing under the same. "Under-crossing" also means any point or place where one railroad crosses another railroad not at grade.

- 1 ((The term "over-crossing" or "under-crossing," shall also mean 2 any point or place where one railroad crosses another railroad not at 3 grade.
- 4 The term)) (7) "Grade crossing((τ))" ((when used in this chapter,)) means any point or place where a railroad crosses a highway or a highway crosses a railroad or one railroad crosses another, at a common grade.
- 8 (8) "Private crossing" means any point or place where a railroad
 9 crosses a private road at grade or a private road crosses a railroad
 10 at grade, where the private road is not a highway.
- 11 **Sec. 27.** RCW 81.53.240 and 1984 c 7 s 375 are each amended to 12 read as follows:
 - (1) Except to the extent necessary to permit participation by first-class cities in the grade crossing protective fund, when an election to participate is made as provided in RCW 81.53.261 through or to the extent a first-class city requests to participate in the commission's crossing safety inspection program within the city, this chapter ((81.53 RCW)) is not operative within the limits of first-class cities, and does not apply to street railway lines operating on or across any street, alley, or other public place within the limits of any city, except that a streetcar line outside of cities of the first class shall not cross a railroad grade without express authority from the commission. commission may not change the location of a state highway without the approval of the secretary of transportation, or the location of any crossing thereon adopted or approved by the department transportation, or grant a railroad authority to cross a state highway at grade without the consent of the secretary of transportation.
- (2) Within thirty days of the effective date of this section, 30 31 first-class cities must provide to the commission a list of all existing public crossings within the limits of a first-class city, 32 including over and under-crossings, including the United States 33 department of transportation number for the crossing. Within thirty 34 days of modifying, closing, or opening a grade crossing within the 35 limits of a first-class city, the city must notify the commission in 36 writing of the action taken, identifying the crossing by United 37 States department of transportation number. 38

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1 NEW SECTION. Sec. 28. A new section is added to chapter 81.53 2 RCW to read as follows:

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- (1) To address the potential public safety hazards presented by private crossings in the state and by the transportation of hazardous materials in the state, including crude oil, the commission is authorized to and must adopt rules governing safety standards for private crossings along the railroad tracks over which crude oil is transported in the state. The commission is also authorized to conduct inspections of the private crossings subject to this section, to order the railroads to make improvements at the private crossings, and enforce the orders.
- (2) The commission must adopt rules governing private crossings along railroad tracks over which crude oil is transported in the state, establishing:
- (a) Minimum safety standards for the private crossings subject to 15 limited to, requirements for this section, including, but not 16 17 signage;
 - (b) Criteria for prioritizing the inspection and improvements of the private crossings subject to this section; and
 - (c) Requirements governing the responsibilities of railroad companies to ensure that private crossing improvements are completed.
- (3) Nothing in this section modifies existing agreements between 22 the railroad company and the landowner governing liability for 23 injuries or damages occurring at the private crossing. 24
- **Sec. 29.** RCW 88.46.180 and 2011 c 122 s 2 are each amended to 25 read as follows: 26
 - (1) The department shall evaluate and update planning standards for oil spill response equipment required under contingency plans required by this chapter, including aerial surveillance, in order to ensure access in the state to equipment that represents the best achievable protection to respond to a worst case spill and provide for continuous operation of oil spill response activities to the maximum extent practicable and without jeopardizing crew safety, as determined by the incident commander or the unified command.
- 35 (2) The department shall by rule update the planning standards at five-year intervals to ensure the maintenance of best available 36 protection over time. Rule updates to covered nontank vessels shall 37 minimize potential impacts to discretionary cargo moved through the 38 state. 39

Sec. 30. RCW 42.56.270 and 2014 c 192 s 6, 2014 c 174 s 5, and 3 2014 c 144 s 6 are each reenacted and amended to read as follows: 4

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The following financial, commercial, and proprietary information is exempt from disclosure under this chapter:

- (1) Valuable formulae, designs, drawings, computer source code or object code, and research data obtained by any agency within five years of the request for disclosure when disclosure would produce private gain and public loss;
- (2) Financial information supplied by or on behalf of a person, firm, or corporation for the purpose of qualifying to submit a bid or proposal for (a) a ferry system construction or repair contract as by RCW 47.60.680 through 47.60.750 or (b) construction or improvement as required by RCW 47.28.070;
- (3) Financial and commercial information and records supplied by 16 private persons pertaining to export services provided under chapters 17 43.163 and 53.31 RCW, and by persons pertaining to export projects 18 under RCW 43.23.035; 19
 - (4) Financial and commercial information and records supplied by businesses or individuals during application for loans or program services provided by chapters 43.325, 43.163, 43.160, 43.330, and 43.168 RCW, or during application for economic development loans or program services provided by any local agency;
 - (5) Financial information, business plans, examination reports, and any information produced or obtained in evaluating or examining a business and industrial development corporation organized or seeking certification under chapter 31.24 RCW;
 - (6) Financial and commercial information supplied to the state investment board by any person when the information relates to the investment of public trust or retirement funds and when disclosure would result in loss to such funds or in private loss to the providers of this information;
 - (7) Financial and valuable trade information under RCW 51.36.120;
- (8) Financial, commercial, operations, and technical and research 35 information and data submitted to or obtained by the clean Washington 36 center in applications for, or delivery of, program services under 37 chapter 70.95H RCW; 38

(9) Financial and commercial information requested by the public stadium authority from any person or organization that leases or uses the stadium and exhibition center as defined in RCW 36.102.010;

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- (10)(a) Financial information, including but not limited to account numbers and values, and other identification numbers supplied by or on behalf of a person, firm, corporation, limited liability company, partnership, or other entity related to an application for a horse racing license submitted pursuant to RCW 67.16.260(1)(b), marijuana producer, processor, or retailer license, liquor license, gambling license, or lottery retail license;
- (b) Internal control documents, independent auditors' reports and financial statements, and supporting documents: (i) Of house-banked social card game licensees required by the gambling commission pursuant to rules adopted under chapter 9.46 RCW; or (ii) submitted by tribes with an approved tribal/state compact for class III gaming;
- (11) Proprietary data, trade secrets, or other information that relates to: (a) A vendor's unique methods of conducting business; (b) data unique to the product or services of the vendor; or (c) determining prices or rates to be charged for services, submitted by any vendor to the department of social and health services for purposes of the development, acquisition, or implementation of state purchased health care as defined in RCW 41.05.011;
- (12)(a) When supplied to and in the records of the department of 23 24 commerce:
 - (i) Financial and proprietary information collected from any person and provided to the department of commerce pursuant to RCW 43.330.050(8); and
 - (ii) Financial or proprietary information collected from any person and provided to the department of commerce or the office of the governor in connection with the siting, recruitment, expansion, retention, or relocation of that person's business and until a siting decision is made, identifying information of any person supplying information under this subsection and the locations being considered for siting, relocation, or expansion of a business;
 - When developed by the department of commerce based on information as described in (a)(i) of this subsection, any work product is not exempt from disclosure;
- (c) For the purposes of this subsection, "siting decision" means 38 the decision to acquire or not to acquire a site; 39

- 1 (d) If there is no written contact for a period of sixty days to the department of commerce from a person connected with siting, 2 recruitment, expansion, retention, or relocation of that person's 3 business, information described in (a)(ii) of this subsection will be 4 available to the public under this chapter; 5
 - (13) Financial and proprietary information submitted to obtained by the department of ecology or the authority created under chapter 70.95N RCW to implement chapter 70.95N RCW;

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- Financial, commercial, operations, and technical 9 research information and data submitted to or obtained by the life 10 11 sciences discovery fund authority in applications for, or delivery of, grants under chapter 43.350 RCW, to the extent that such 12 information, if revealed, would reasonably be expected to result in 13 private loss to the providers of this information; 14
- (15) Financial and commercial information provided as evidence to 15 the department of licensing as required by RCW 19.112.110 16 19.112.120, except information disclosed in aggregate form that does 17 not permit the identification of information related to individual 18 fuel licensees; 19
- (16) Any production records, mineral assessments, and trade 20 21 secrets submitted by a permit holder, mine operator, or landowner to the department of natural resources under RCW 78.44.085; 22
 - (17)(a) Farm plans developed by conservation districts, unless permission to release the farm plan is granted by the landowner or operator who requested the plan, or the farm plan is used for the application or issuance of a permit;
 - (b) Farm plans developed under chapter 90.48 RCW and not under the federal clean water act, 33 U.S.C. Sec. 1251 et seq., are subject to RCW 42.56.610 and 90.64.190;
 - (18) Financial, commercial, operations, and technical research information and data submitted to or obtained by a health sciences and services authority in applications for, or delivery of, grants under RCW 35.104.010 through 35.104.060, to the extent that such information, if revealed, would reasonably be expected to result in private loss to providers of this information;
- 36 Information gathered under chapter 19.85 RCW or RCW 34.05.328 that can be identified to a particular business; 37
- and commercial information submitted to Financial 38 obtained by the University of Washington, other than information the 39 40 university is required to disclose under RCW 28B.20.150, when the

- 1 information relates to investments in private funds, to the extent
- that such information, if revealed, would reasonably be expected to 2
- result in loss to the University of Washington consolidated endowment 3
- fund or to result in private loss to the providers of 4
- information; ((and)) 5
- 6 (21) Market share data submitted by a manufacturer under RCW 7 70.95N.190(4); ((and))
- (22) Financial information supplied to the department 8 financial institutions or to a portal under RCW 21.20.883, when filed 9 by or on behalf of an issuer of securities for the purpose of 10 11 obtaining the exemption from state securities registration for small 12 securities offerings provided under RCW 21.20.880 or when filed by or
- on behalf of an investor for the purpose of purchasing such 13
- 14 securities; and
- (23)(a) Unaggregated or individual notices of a transfer of crude 15
- oil that is financial, proprietary, or commercial information, 16
- 17 submitted to the department of ecology pursuant to section 8(1)(a) of
- this act, and that is in the possession of the department of ecology 18
- 19 or any entity with which the department of ecology has shared the
- notice pursuant to section 8 of this act; and 20
- (b) <u>Information</u> <u>submitted</u> to the <u>department</u> of <u>ecology</u> by 21
- pipelines pursuant to section 8(1)(b) of this act that is related to 22
- diluting agents contained in transported oil and that is in the 23
- possession of the department of ecology or any entity with which the 24
- 25 department of ecology has shared the information pursuant to section
- 26 8 of this act.
- 27 <u>NEW SECTION.</u> **Sec. 31.** A new section is added to chapter 90.56
- 28 RCW to read as follows:
- (1) The department must provide to the relevant policy and fiscal 29
- 30 committees of the senate and house of representatives:
- 31 (a) A review of all state geographic response plans and any
- federal requirements as needed in contingency plans required under 32
- RCW 90.56.210 and 88.46.060 by December 31, 2015; and 33
- (b) Annual updates, beginning December 31, 2016, and ending 34
- 35 December 31, 2021, as required under RCW 43.01.036, as to the
- progress made in completing state and federal geographic response 36
- plans as needed in contingency plans required under RCW 90.56.060, 37
- 38 90.56.210, and 88.46.060.

- 1 (2) The department must contract, if practicable, with eligible independent third parties to ensure completion by December 1, 2017, 2 of at least fifty percent of the geographic response plans as needed 3 in contingency plans required under RCW 90.56.210 and 88.46.060 for 4 the state. 5
- 6 (3) All requirements in this section are subject to the 7 availability of amounts appropriated for the specific purposes described. 8
- 9 Sec. 32. (1) Subject to the availability of NEW SECTION. 10 amounts appropriated for this specific purpose, the department of ecology shall provide grants to emergency responders to assist with 11 oil spill and hazardous materials response and firefighting equipment 12 13 and resources needed to meet the requirements of this act.

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- (2) For the purposes of determining grant allocations, the of ecology, in consultation with emergency first responders, oil spill response cooperatives, representatives from the oil and rail industries, and businesses that are recipients of liquid bulk crude oil shall: (a) Conduct an evaluation of oil spill and hazardous materials response and firefighting equipment and resources currently available for oil spill and hazardous materials response activities throughout the state; (b) review the local emergency management coordinating efforts for oil spill and hazardous materials response; (c) determine the need for additional, new, or updated equipment and resources; and (d) identify areas or regions of the state that are in greatest need of resources and oil spill and hazardous materials response and firefighting equipment.
- (3) The department of ecology, in consultation with emergency first responders, oil spill response cooperatives, representatives from the oil and rail industries, and businesses that are recipients liquid bulk crude oil shall review grant applications prioritize grant awards using the evaluation of availability of oil spill and hazardous materials response and firefighting equipment and resources as determined in subsection (2) of this section.
- (a) The application review must include evaluation of equipment and resource requests, funding requirements, and coordination with existing equipment and resources in the area.
- 37 (b) Funding must be prioritized for applicants from areas where the need for firefighting and oil spill and hazardous materials 38

- 1 response equipment is the greatest as determined in subsection (2) of 2 this section.
- (c) Grants must be coordinated to maximize currently existing 3 equipment and resources that have been put in place by first 4 responders and industry. 5
- Sec. 33. Before the start of the 2016 legislative б NEW SECTION. session, the senate energy, environment, and telecommunications 7 committee and the house of representatives environment committee must 8 hold at least one joint meeting on oil spill prevention and response 9 10 activities for international transport of liquid bulk crude oil. The 11 committees may invite representatives of affected parties from the United States and Canada to address issues including but not limited 12 13 to the following:
- (1) Cooperative prevention and emergency response activities 14 15 between shared international and state borders;
- 16 (2) Expected risks posed by the transport of liquid bulk crude 17 oil throughout the Pacific Northwest region; and
- (3) An update of the status of marine transport of liquid bulk 18 crude oil through the Pacific Northwest region. 19
- 20 NEW SECTION. Sec. 34. (1) By December 15, 2017, the department of ecology must submit a report to the legislature, consistent with 21 RCW 43.01.036, that evaluates the revenues raised by sections 19 22 23 through 22 of this act and the expenditures on state oil spill program activities that result from this act. The report must include 24 an analysis of the expenditures on oil spill program activities by 25 26 each state agency that is required or authorized to undertake new or 27 expanded activities by this act.
- (2) If the evaluation by the department of ecology indicates that 28 the total amount of revenue raised by the increase in the amount and 29 30 scope of the taxes contained in this act exceeds the total expenditures on department of ecology programs 31 that this act requires, the department must recommend agency request legislation in 32 the regularly scheduled 2018 legislative session to reduce the amount 33 34 of the tax increases or expansions under sections 19 through 22 of this act such that the total amount of revenue raised by this act 35 will not exceed the total oil spill program expenditures by the 36 department of ecology required as a result of this act. 37
 - (3) This section expires July 1, 2019.

- 1 NEW SECTION. Sec. 35. Sections 19 through 22 of this act take 2 effect January 1, 2016.
- NEW SECTION. Sec. 36. If any provision of this act or its 3 application to any person or circumstance is held invalid, the 4 5 remainder of the act or the application of the provision to other persons or circumstances is not affected. 6
- NEW SECTION. Sec. 37. Except for sections 19 through 22 of this 7 act, this act is necessary for the immediate preservation of the 8 9 public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2015." 10
- 11 Correct the title.

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