CERTIFICATION OF ENROLLMENT

ENGROSSED SUBSTITUTE SENATE BILL 5579

Chapter 354, Laws of 2019

66th Legislature 2019 Regular Session

CRUDE OIL BY RAIL--VAPOR PRESSURE

EFFECTIVE DATE: July 28, 2019

Passed by the Senate April 22, 2019 CERTIFICATE Yeas 27 Nays 22 I, Brad Hendrickson, Secretary of the Senate of the State of CYRUS HABIB Washington, do hereby certify that President of the Senate the attached is **ENGROSSED** SUBSTITUTE SENATE BILL 5579 as passed by the Senate and the House of Representatives on the dates Passed by the House April 12, 2019 hereon set forth. Yeas 53 Nays 40 BRAD HENDRICKSON FRANK CHOPP Secretary Speaker of the House of Representatives Approved May 9, 2019 3:32 PM FILED

JAY INSLEE State of Washington

May 13, 2019

Governor of the State of Washington

ENGROSSED SUBSTITUTE SENATE BILL 5579

AS AMENDED BY THE HOUSE

Passed Legislature - 2019 Regular Session

State of Washington

66th Legislature

2019 Regular Session

By Senate Environment, Energy & Technology (originally sponsored by Senators Billig, Carlyle, Pedersen, Palumbo, Hasegawa, Keiser, Rolfes, Saldaña, Van De Wege, Frockt, Conway, Hunt, Liias, Dhingra, Kuderer, and Nguyen)

READ FIRST TIME 02/08/19.

- 1 AN ACT Relating to the volatility of crude oil received in the
- 2 state by rail; amending RCW 90.56.565; adding a new section to
- 3 chapter 90.56 RCW; adding a new section to chapter 81.44 RCW; and
- 4 prescribing penalties.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 90.56 7 RCW to read as follows:
- 8 (1)(a) A facility constructed or permitted after January 1, 2019,
- 9 may not load or unload crude oil into or from a rail tank car unless
- 10 the oil has a vapor pressure of less than nine pounds per square
- 11 inch.
- 12 (b) A facility may not load or unload crude oil into or from a
- 13 rail tank car unless the oil has a vapor pressure of less than nine
- 14 pounds per square inch beginning two years after the volume of crude
- 15 oil transported by rail to the facility for a calendar year as
- 16 reported under RCW 90.56.565 has increased more than ten percent
- 17 above the volume reported for calendar year 2018.
- 18 (2) The director may impose a penalty of up to twenty-five
- 19 hundred dollars per day per rail tank car or the equivalent volume of
- 20 oil for violations of this section. Any penalty recovered pursuant to

this section must be credited to the coastal protection fund created in RCW 90.48.390.

- (3) This section does not: (a) Prohibit a railroad car carrying crude oil from entering Washington; (b) require a railroad car carrying crude oil to stop before entering Washington; or (c) require a railroad car carrying crude oil to be checked for vapor pressure before entering Washington.
- **Sec. 2.** RCW 90.56.565 and 2015 c 274 s 8 are each amended to 9 read as follows:
 - (1) (a) A facility that receives crude oil from a railroad car must provide advance notice to the department that the facility will receive crude oil from a railroad car, as provided in this section. The advance notice must include the route taken to the facility within the state, if known, and the scheduled time, location, volume, region per bill of lading, type, vapor pressure, and gravity as measured by standards developed by the American petroleum institute, of crude oil received. Each week, a facility that provides advance notice under this section must provide the required information regarding the scheduled arrival of railroad cars carrying crude oil to be received by the facility in the succeeding seven-day period. A facility is not required to provide advance notice when there is no receipt of crude oil from a railroad car scheduled for a seven-day period.
 - (b) Twice per year, pipelines that transport crude oil must report to the department the following information about the crude oil transported by the pipeline through the state: The volume of crude oil and the state or province of origin of 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.
 - (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.

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- (4) To further strengthen rail safety and the transportation of crude oil, the department must provide to the utilities and transportation commission data reported by facilities on the characteristics, volatility, vapor pressure, and volume of crude oil transported by rail, as required under subsection (1)(a) of this section.
- (5) 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 sevenday period.
- 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 contains proprietary, commercial, or financial information unless that information is aggregated. The requirement for aggregating information does not apply when information is shared by the department with emergency response agencies as provided in subsection (2) of this section.
- $((\frac{(6)}{(6)}))$ <u>(7)</u> The department shall adopt rules to implement this section. The advance notice system required in this section must be consistent with the oil transfer reporting system adopted by the department pursuant to RCW 88.46.165.
- NEW SECTION. Sec. 3. A new section is added to chapter 81.44
 RCW to read as follows:
- 32 (1) The commission shall, for the purposes of targeting high-risk 33 inspections, incorporate data received from the department of ecology 34 as required under RCW 90.56.565(4) in the development of its annual 35 work plan and inspection activity.
- 36 (2) Nothing in this section is intended to interfere with or 37 prevent the participation of the commission in the federal railroad 38 administration's state rail safety participation program.

Passed by the Senate April 22, 2019.
Passed by the House April 12, 2019.
Approved by the Governor May 9, 2019.
Filed in Office of Secretary of State May 13, 2019.

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