

SENATE BILL 5552

Changing compensation and penalties for oil spills

PROGRAM IMPACTS

- Changes the state definition of 'oil' to align with the federal Oil Pollution Act definition, which includes any and all oils including biofuels. This change impacts:
 - RCW 88.40 Transportation of Petroleum Products – Financial Responsibility
 - RCW 88.46 Vessel Oil Spill Prevention and Response
 - RCW 90.56 Oil and Hazardous Substance Spill Prevention and Response
- Changes the compensation for spill damages to natural resources from \$1 to \$50 dollars per gallon to \$1 to \$100 per gallon. This will require revisions to WAC 173-183 (expedited rule making).
- Changes the maximum penalty amount for negligent spills to water from \$20,000 to \$100,000 per day.
- Changes the maximum penalty amount for reckless/intentional spills from \$100,000 to \$500,000 per day.
- Directs Ecology to consider the “size of the business of the violator” along with other factors when establishing spill penalties.

RESOURCE IMPACTS

We were provided one-half FTE to make changes to WAC 173-183, implement the changes, and communicate impacts to stakeholders. All other impacts of this bill can be accommodated with existing resources.

WORK PLAN

The bill becomes effective on July 22, 2007.

The change to the definition of 'oil' is not anticipated to substantively alter the Spills Program's workload or practices. The program will work with any impacted biofuel facilities; it was anticipated that two facilities (startup or proposed) would have been regulated without this change.

Rule revisions through the 45-day expedited rule making process will begin in July 2007, as well as hiring the 0.5 FTE for this work.

The Spills Program is revising penalty calculation guidelines to accommodate the change to the maximum values and consider the 'size of the business of the violator.' The program will implement the revised guidelines when the rule becomes effective.

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