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.

AN ACT Relating to the volatility of crude oil received in the state by rail; amending RCW 90.56.565; adding a new section to chapter 90.56 RCW; adding a new section to chapter 81.44 RCW; and 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.

(b) A facility may not load or unload crude oil into or from a rail tank car unless the oil has a vapor pressure of less than nine pounds per square inch beginning two years after the volume of crude oil transported by rail to the facility for a calendar year as reported under RCW 90.56.565 has increased more than ten percent 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 1 this section must be credited to the coastal protection fund created 2 in RCW 90.48.390.

3 (3) This section does not: (a) Prohibit a railroad car carrying 4 crude oil from entering Washington; (b) require a railroad car 5 carrying crude oil to stop before entering Washington; or (c) require 6 a railroad car carrying crude oil to be checked for vapor pressure 7 before entering Washington.

8 **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 10 must provide advance notice to the department that the facility will 11 receive crude oil from a railroad car, as provided in this section. 12 The advance notice must include the route taken to the facility 13 within the state, if known, and the scheduled time, location, volume, 14 15 region per bill of lading, type, vapor pressure, and gravity as 16 measured by standards developed by the American petroleum institute, of crude oil received. Each week, a facility that provides advance 17 notice under this section must provide the required information 18 regarding the scheduled arrival of railroad cars carrying crude oil 19 20 to be received by the facility in the succeeding seven-day period. A 21 facility is not required to provide advance notice when there is no 22 receipt of crude oil from a railroad car scheduled for a seven-day 23 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.

31 (2) The department may share information provided by a facility 32 through the advance notice system established in this section with 33 the state emergency management division and any county, city, tribal, 34 port, or local government emergency response agency upon request.

35 (3) The department must publish information collected under this 36 section on a quarterly basis on the department's internet web site. 37 With respect to the information reported under subsection (1)(a) of 38 this section, the information published by the department must be 39 aggregated on a statewide basis by route through the state, by week,

p. 2

1 and by type of crude oil. The report may also include other 2 information available to the department including, but not limited 3 to, place of origin, modes of transport, number of railroad cars 4 delivering crude oil, and number and volume of spills during 5 transport and delivery.

6 (4) <u>To further strengthen rail safety and the transportation of</u> 7 <u>crude oil, the department must provide to the utilities and</u> 8 <u>transportation commission data reported by facilities on the</u> 9 <u>characteristics, volatility, vapor pressure, and volume of crude oil</u> 10 <u>transported by rail, as required under subsection (1)(a) of this</u> 11 <u>section.</u>

12 (5) A facility providing advance notice under this section is not 13 responsible for meeting advance notice time frame requirements under 14 subsection (1) of this section in the event that the schedule of 15 arrivals of railroad cars carrying crude oil changes during a seven-16 day period.

17 (((-5))) (6) Consistent with the requirements of chapter 42.56 18 RCW, the department and any state, local, tribal, or public agency 19 that receives information provided under this section may not disclose any such information to the public or to nongovernmental 20 21 entities that contains proprietary, commercial, or financial information unless that information is aggregated. The requirement 22 for aggregating information does not apply when information is shared 23 by the department with emergency response agencies as provided in 24 25 subsection (2) of this section.

(((++))) (7) 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.

30 <u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 81.44 31 RCW to read as follows:

(1) The commission shall, for the purposes of targeting high-risk
inspections, incorporate data received from the department of ecology
as required under RCW 90.56.565(4) in the development of its annual
work plan and inspection activity.

p. 3

1 (2) Nothing in this section is intended to interfere with or 2 prevent the participation of the commission in the federal railroad 3 administration's state rail safety participation program.

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