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HOUSE BILL 2275

State of Washington 66th Legislature 2020 Regular Session

By Representative Stokesbary Prefiled 12/23/19.

- AN ACT Relating to certain illegal discharges of sewage wastewater into Puget Sound; amending RCW 90.48.366, 90.48.367, and 90.48.368; and creating a new section.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** (1) The legislature finds that:
- 6 (a) Puget Sound is a unique resource of significant
 7 environmental, economic, recreational, aesthetic, and cultural value
 8 to Washington. Among many laws focused on protecting Puget Sound and
 9 its resources, the legislature has even created an entire state
 10 agency, the Puget Sound partnership, that is dedicated to maintaining
 11 and restoring Puget Sound.
- 12 Unfortunately, among many threats to Puget Sound, environmental impacts of wastewater discharges from municipal sewage 13 systems have become especially problematic. In King county alone, 14 15 there have been multiple large-scale spills in the past few years 16 that together discharged hundreds of millions of gallons of sewage from improperly functioning treatment plants. In addition, hundreds 17 18 of millions of gallons of combined sewage overflows are annually 19 discharged in King county even when wastewater treatment plants 20 function as expected; a fact that compounds the local environmental 21 stress posed when wastewater treatment plants fail.

p. 1 HB 2275

(c) Pollution is pollution, regardless of its source. When pollution enters Puget Sound and impacts sensitive ecosystems, harms economic activities and treaty-protected rights, such as shellfish fisheries, and limits recreational use of beaches and waters, this represents a natural resource damage affecting the people of Washington, regardless of whether that damage has arisen from a spill of oil or a spill of sewage. However, current law does not treat all threats to Puget Sound equally seriously.

- (2) Therefore, it is the intent of the legislature to require compensation for natural resource damages to Puget Sound caused by certain illegal discharges of sewage-contaminated wastewater in a manner that is similar to the compensation required for natural resource damages caused by illegal discharges of oil. Furthermore, because of the difficulties and costs associated with precisely quantifying the natural resource damages caused by sewage spills, it is the intent of the legislature to direct the department of ecology to adopt a compensation schedule similar to that used to determine assessments for spills of oil that cause damages that are unquantifiable or not quantifiable at a reasonable cost.
- **Sec. 2.** RCW 90.48.366 and 2011 c 122 s 9 are each amended to 21 read as follows:
 - (1) (a) The department, in consultation with the departments of fish and wildlife and natural resources, and the parks and recreation commission, shall adopt rules establishing a compensation schedule for the discharge of oil in violation of this chapter and chapter 90.56 RCW. The amount of compensation assessed under this schedule shall be:
 - $((\frac{1}{2}))$ (i) For spills totaling one thousand gallons or more in any one event, no less than three dollars per gallon of oil spilled and no greater than three hundred dollars per gallon of oil spilled; and
 - (((b))) <u>(ii)</u> For spills totaling less than one thousand gallons in any one event, no less than one dollar per gallon of oil spilled and no greater than one hundred dollars per gallon of oil spilled.
 - (((2))) <u>(b)</u> Persistent oil recovered from the surface of the water within forty-eight hours of a discharge must be deducted from the total spill volume for purposes of determining the amount of compensation assessed under the compensation schedule.

p. 2 HB 2275

- 1 (2) The department, in consultation with the departments of fish and wildlife and natural resources, and the parks and recreation 2 commission, shall adopt rules establishing a compensation schedule 3 for the illegal discharge of wastewater directly or indirectly into 4 Puget Sound in violation of a permit required by RCW 90.48.162 and 5 6 issued under this chapter. The amount of compensation assessed under 7 the compensation schedule must be no less than one-tenth of one cent per gallon wastewater discharged in violation of a permit and no 8 greater than thirteen cents per gallon of wastewater discharged in 9 violation of a permit. By rule, the department may establish a 10 minimum discharge volume or compensation amount, below which 11 compensation is not assessed under this subsection. The illegal 12 wastewater discharges subject to the provisions of this section 13 include combined sewer overflows of sewage and stormwater. 14
 - (3) The compensation schedules adopted under this section shall reflect adequate compensation for unquantifiable damages or for damages not quantifiable at reasonable cost for any adverse environmental, recreational, aesthetic, or other effects caused by the spill and shall take into account:
 - (a) Characteristics of any ((oil)) <u>substance</u> spilled, such as toxicity, dispersibility, solubility, and persistence, that may affect the severity of the effects on the receiving environment, living organisms, and recreational and aesthetic resources;
- 24 (b) The sensitivity of the affected area as determined by such 25 factors as:
 - (i) The location of the spill;

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- (ii) Habitat and living resource sensitivity;
- (iii) Seasonal distribution or sensitivity of living resources;
 - (iv) Areas of recreational use or aesthetic importance;
- 30 (v) The proximity of the spill to important habitats for birds, 31 aquatic mammals, fish, or to species listed as threatened or 32 endangered under state or federal law;
 - (vi) Significant archaeological resources as determined by the department of archaeology and historic preservation; and
- 35 (vii) Other areas of special ecological or recreational 36 importance, as determined by the department; and
- 37 (c) Actions taken by the party who spilled ((oil)) the substance 38 or any party liable for the spill that:
- 39 (i) Demonstrate a recognition and affirmative acceptance of 40 responsibility for the spill, such as the immediate removal of oil

p. 3 HB 2275

and the amount of oil removed from the environment <u>or other proactive</u>

measures designed to mitigate the severity of impacts of a nonoil

spill; or

- (ii) Enhance or impede the detection of the spill, the determination of the quantity of oil <u>or other substances</u> spilled, or the extent of damage, including the unauthorized removal of evidence such as injured fish or wildlife.
- **Sec. 3.** RCW 90.48.367 and 1991 c 200 s 813 are each amended to 9 read as follows:
- 10 (1) After a spill or other incident causing damages to the 11 natural resources of the state, the department shall conduct a formal 12 preassessment screening as provided in RCW 90.48.368.
 - established under RCW 90.48.366 to determine the amount of damages for all illegal discharges of wastewater directly or indirectly into Puget Sound in violation of a permit required by RCW 90.48.162 or if the preassessment screening committee determines that: (a) Restoration or enhancement of the injured resources is not technically feasible; (b) damages are not quantifiable at a reasonable cost; and (c) the restoration and enhancement projects or studies proposed by the liable parties are insufficient to adequately compensate the people of the state for damages.
 - (3) If the preassessment screening committee determines that the compensation schedule should not be used, compensation shall be assessed for the amount of money necessary to restore any damaged resource to its condition before the injury, to the extent technically feasible, and compensate for the lost value incurred during the period between injury and restoration.
 - (4) Restoration shall include the cost to restock such waters, replenish or replace such resources, and otherwise restore the stream, lake, or other waters of the state, including any estuary, ocean area, submerged lands, shoreline, bank, or other lands adjoining such waters to its condition before the injury, as such condition is determined by the department. The lost value of a damaged resource shall be equal to the sum of consumptive, nonconsumptive, and indirect use values, as well as lost taxation, leasing, and licensing revenues. Indirect use values may include existence, bequest, option, and aesthetic values. Damages shall be

p. 4 HB 2275

determined by generally accepted and cost-effective procedures, including, but not limited to, contingent valuation method studies.

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- (5) Compensation assessed under this section shall be recoverable in an action brought by the attorney general on behalf of the people of the state of Washington and affected counties and cities in the superior court of Thurston county or any county in which damages occurred. Moneys recovered by the attorney general under this section shall be deposited in the coastal protection fund established under RCW 90.48.390, and shall only be used for the purposes stated in RCW 90.48.400.
- 11 (6) Compensation assessed under this section shall preclude 12 claims under this chapter by local governments for compensation for 13 damages to publicly owned resources resulting from the same incident.
- 14 **Sec. 4.** RCW 90.48.368 and 2007 c 347 s 2 are each amended to 15 read as follows:
 - (1) The department shall adopt rules establishing a formal process for preassessment screening of damages resulting from spills to the waters of the state causing the death of, or injury to, fish, animals, vegetation, or other resources of the state. The rules shall specify the conditions under which the department shall convene a preassessment screening committee. The preassessment process shall occur concurrently with reconnaissance activities. The use information obtained from reconnaissance committee shall activities as well as any other relevant resource and resource use information. For each incident other than illegal discharges of wastewater directly or indirectly into Puget Sound in violation of a permit required by RCW 90.48.162, the committee shall determine whether a damage assessment investigation should be conducted, or, whether the compensation schedule authorized under RCW 90.48.366 and 90.48.367 should be used to assess damages. For illegal discharges of wastewater directly or indirectly into Puget Sound in violation of a permit required by RCW 90.48.162, the compensation schedule provided in RCW 90.48.366(2) must be used. The committee may accept restoration or enhancement projects or studies proposed by the liable parties in lieu of some or all of: (a) The compensation schedule authorized under RCW 90.48.366(1) and 90.48.367; or (b) the claims from damage assessment studies authorized under RCW 90.48.142.
 - (2) A preassessment screening committee may consist of representatives of the departments of ecology, archaeology and

p. 5 HB 2275

historic preservation, fish and wildlife, health, and natural resources, and the parks and recreation commission, as well as other federal, state, and local agencies, and tribal and local governments whose presence would enhance the reconnaissance or damage assessment aspects of spill response. The department shall chair the committee and determine which representatives will be needed on a spill-by-spill basis.

- (3) The committee shall consider the following factors when determining whether a damage assessment study authorized under RCW 90.48.367 should be conducted: (a) Whether evidence from reconnaissance investigations suggests that injury has occurred or is likely to occur to publicly owned resources; (b) the potential loss in services provided by resources injured or likely to be injured and the expected value of the potential loss; (c) whether a restoration project to return lost services is technically feasible; (d) the accuracy of damage quantification methods that could be used and the anticipated cost-effectiveness of applying each method; (e) the extent to which likely injury to resources can be verified with available quantification methods; and (f) whether the injury, once quantified, can be translated into monetary values with sufficient precision or accuracy.
- (4) When a resource damage assessment is required for an oil spill in the waters of the state, as defined in RCW 90.56.010, the state trustee agency responsible for the resource and habitat damaged shall conduct the damage assessment and pursue all appropriate remedies with the responsible party.
- (5) Oil spill damage assessment studies authorized under RCW 90.48.367 may only be conducted if the committee, after considering the factors enumerated in subsection (3) of this section, determines that the damages to be investigated are quantifiable at a reasonable cost and that proposed assessment studies are clearly linked to quantification of the damages incurred.
- (6) As new information becomes available, the committee may reevaluate the scope of damage assessment using the factors listed in subsection (3) of this section and may reduce or expand the scope of damage assessment as appropriate.
- (7) The preassessment screening process shall provide for the ongoing involvement of persons who may be liable for damages resulting from an oil spill. The department may negotiate with a potentially liable party to perform restoration and enhancement

p. 6 HB 2275

projects or studies which may substitute for all or part of the compensation authorized under RCW 90.48.366 and 90.48.367 or the damage assessment studies authorized under RCW 90.48.367.

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(8) For the purposes of this section and RCW 90.48.367, the cost of a damage assessment shall be considered "reasonable" when the anticipated cost of the damage assessment is expected to be less than the anticipated damage that may have occurred or may occur.

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p. 7 HB 2275