

PRELIMINARY STAFF MEASURE SUMMARY**Joint Committee On Ways and Means****Fiscal:** Fiscal impact issued**Revenue:** No Revenue Impact**Action Date:****Action:****Meeting Dates:****Prepared By:** Julie Neburka, Budget Analyst**WHAT THE MEASURE DOES:**

Requires State Fire Marshal, as part of effective implementation of statewide hazardous material emergency response system, adopt by rule plan for coordinated response to oil or hazardous material spills or releases that occur during rail transport. Specifies issues that plan must address. Requires annual report be submitted to Legislative Assembly, no later than February 1, that addresses issues related to oil and hazardous material emergency response for rail transport. Report is to include: inventory of all emergency response resources available in state; suggested changes to structure for continued coordination between state agencies and industry; possible revisions to response roles or responsibilities of state agencies, local governments and railroads; and strategies for ensuring adequate funding at state and local government levels to cover training, equipment and administrative costs associated with providing comprehensive response and equipment. Plan becomes operative January 1, 2016. Establishes Oil and Hazardous Material Transportation by Rail Action Fund in State Treasury, distinct from General Fund, to consist of all moneys provided by law or gift, grants, donations, endowments or bequests from any public or private source. Moneys from fund are continuously appropriated to Oregon State Police for use by State Fire Marshall for costs associated with development and implementation of plan. Declares emergency, effective on passage.

ISSUES DISCUSSED:**EFFECT OF COMMITTEE AMENDMENT:**

No amendment.

BACKGROUND:

Oil production from the Bakken fields of North Dakota has resulted in more crude oil being shipped by rail across the country and through the Pacific Northwest. Reports show three oil trains a week pass through Oregon, following the Columbia River to the Global Pacific oil terminal near Clatskanie. Additional oil trains travel south through central and southern Oregon on their way to California. Several recent oil train accidents have raised concerns about oil train safety.

In July of 2014, the U.S. Department of Transportation proposed new rules aimed at improving the safety of trains carrying large shipments of crude oil and ethanol. Thousands of older tank cars would be phased out within two years under the regulations, which would apply to trains of 20 or more cars carrying flammable materials like crude oil. The rules would also reduce the speed of oil trains to 40 miles per hour, require better classification of crude oil and mandate enhanced braking systems for trains carrying flammable materials.

The Oregon Legislature passed the Oil Spill Prevention Act in 1991. This Act directed the Department of Environmental Quality to develop rules to provide for the prevention, preparedness and response to oil spills from large facilities, vessels and petroleum transportation industries. The Office of the State Fire Marshal is the lead state agency for planning for hazmat response, training emergency responders, and surveying of hazardous substances.

House Bill 3225-A requires the State Fire Marshal, as part of the effective implementation of statewide hazardous material emergency response system, adopt by rule a plan for coordinated response to oil or hazardous material spills or releases that occur during rail transport.