

HB 3344 STAFF MEASURE SUMMARY

House Committee On Energy and Environment

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Meeting Dates: 3/13

WHAT THE MEASURE DOES:

Prohibits Legislative Assembly from appropriating funds for any new bulk coal or oil terminal project for the biennium beginning July 1, 2017. Establishes formula for calculating cleanup cost of "worst case spill." Requires applicable rail carriers to submit annual statement to the Department of Environmental Quality that 1) shows adequate insurance to cover losses associated with a worst case spill, 2) identifies average and largest shipments of oil or hazardous materials along certain high hazard routes, and 3) shows adequate finances to cover cleanup costs associated with a worst case spill. Requires Department of State Lands to issue or renew removal-fill permits or leases for projects that facilitate the transportation of crude oil only when said project is for a public use and the risks of the project are outweighed by public need.

Defines high hazard train route as any section of rail lines in the state that abut or cross navigable waters, inland water shed or drinking water intake and over which trains operate that consist of multiple tanker railroad cars transporting oil or hazardous material. Defines new bulk coal or oil terminal and excludes projects designed for safety, rehabilitation, congestion reduction, modernization, maintenance or repair of an existing operation or facility.

The Act would take effect 91 days after the 2017 legislative session adjourns sine die.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

On June 6, 2014, an Emergency Order issued by the U.S. Department of Transportation went into effect requiring railroad carriers operating trains transporting 1,000,000 gallons or more of Bakken crude oil in a single train to provide information to the State Emergency Response Commission estimated volumes and frequencies of the train traffic implicated. In 2015, the Legislature enacted House Bill 3225 which required the Office of State Fire Marshal to adopt a plan for the coordinated response to an oil or hazardous material spill or releases that occur during rail transport.