

AMENDED IN SENATE JUNE 17, 2002
AMENDED IN ASSEMBLY APRIL 29, 2002
AMENDED IN ASSEMBLY APRIL 10, 2002

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 2083

**Introduced by Assembly Member Jackson
(Principal coauthor: Assembly Member Koretz)
(Coauthors: Assembly Members Alquist, Cohn, and Simitian)**

February 19, 2002

An act to add Division 7.9 (commencing with Section 8780) to the Public Resources Code, relating to public resources.

LEGISLATIVE COUNSEL'S DIGEST

AB 2083, as amended, Jackson. Public resources: oil spill prevention and response.

Existing law establishes oil spill prevention, inspection, response, containment, and cleanup programs.

This bill would require the State Lands Commission to develop a form that is to be completed by the operator or responsible party engaged in the internal ~~trafficking~~ *shipment* of oil. The form would be designed to enable the commission to obtain and track the amount and type of oil transported, as well as the method, path, and emissions relating to the internal ~~trafficking~~ *shipment* of that oil between onshore processing and refining facilities, marine facilities, or marine terminals.

The bill would require the commission, on or before July 31 of each year, to file a report with the Legislature summarizing certain information and transmit a copy of the report to any local or state agency

that requests a copy, if the commission determines that the activities of the requesting agency may be affected by the internal trafficking of oil.

The bill would require the commission to consult with the administrator for oil spill response, other state agencies, and agencies of the federal government, including the United States Coast Guard and the federal Department of Transportation, to the maximum extent feasible, before undertaking actions under these provisions.

The bill would authorize the commission to charge a fee to operators and responsible parties who are engaged in the internal ~~trafficking~~ *shipment* of oil, in an amount sufficient to cover the expenses of developing the form, verifying and processing the information, and reporting on the trends, as required under these provisions. Funds received by the commission under this provision would be deposited in the Oil Spill Prevention and Administration Fund, and would be available, upon appropriation, to cover the costs incurred by the commission in implementing these provisions.

These provisions would be repealed on January 1, 2010.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Division 7.9 (commencing with Section 8780)
2 is added to the Public Resources Code, to read:

3
4 DIVISION 7.9. OIL TRANSFER AND TRANSPORTATION
5 EMISSION AND RISK REDUCTION ACT OF 2002

6
7 8780. This division shall be known and may be cited as the Oil
8 Transfer and Transportation Emission and Risk Reduction Act of
9 2002.

10 8781. The Legislature finds and declares all of the following:

11 (a) Thirty years ago the people of California passed the
12 California Coastal Zone and Conservation Act of 1972 after a
13 disastrous oil spill that affected hundreds of miles of coast and
14 severely affected the coastal economy.

15 (b) A clean and healthy coastal environment is critical to
16 maintaining a vibrant coastal economy, including opportunities
17 for sustainable fisheries, flourishing tourism, and healthy
18 recreation.



1 (c) The coastal communities contribute billions of dollars and
2 hundreds of thousands of jobs to the state economy.

3 (d) Offshore oil production could increase dramatically in the
4 near future, which will lead to increased internal ~~trafficking in~~
5 *shipment of* oil along California's waters.

6 (e) Much of the oil extracted off California's coast is highly
7 viscous, the refining of which results in heavy byproducts such as
8 fuel oil and coke, which tend to be shipped to overseas markets.
9 The storage and shipment of such byproducts will also have air
10 quality impacts.

11 (f) There is significant internal ~~tanker trafficking~~ *shipment of*
12 oil between the San Francisco Bay area and the Los Angeles area.

13 (g) Although vessels ~~trafficking~~ *transporting* oil are eventually
14 required to be double hulled, this will not be completed until 2015,
15 at the earliest.

16 (h) The thousands of sea birds that have been injured or killed
17 in 2001 and 2002 by oil leaking from a freighter that sank off
18 California's coast in 1984 are a strong reminder of the serious
19 consequences of vessel mishaps.

20 (i) One of the results of vessel traffic along the central coast and
21 into the ports in the Los Angeles area is tons of oxides of nitrogen
22 emitted into the air each day, which could negate efforts made on
23 land to meet federal ozone standards and other public health air
24 quality goals.

25 (j) Current, accessible and accurate data is critical to having
26 adequate information of the potential environmental quality,
27 public health, and environmental justice consequences that must
28 be analyzed by state and local agencies for environmental impact
29 reports and statements, emergency response planning, permit
30 issuance, and air quality mitigation efforts.

31 (k) Tracking trends in internal ~~trafficking in~~ *shipment of* oil is
32 necessary to promote public safety, health, and welfare, and to
33 protect public and private property, wildlife, marine fisheries, and
34 other ocean resources, and the natural environment in order to
35 protect and to preserve the ecological balance of California's
36 coastal zone, coastal waters, and coastal economy.

37 8782. Unless the context requires otherwise, the following
38 definitions govern the construction of this division:



1 (a) “Administrator” means the administrator for oil spill
2 response appointed by the Governor under Section 8670.4 of the
3 Government Code.

4 (b) “Barge” means any vessel that carries oil in commercial
5 quantities as cargo but is not equipped with a means of
6 self-propulsion.

7 (c) “Commission” means the State Lands Commission.

8 (d) “Internal ~~trafficking~~ *shipment* of oil” means the loading,
9 transporting by vessel, and offloading of oil that originates and
10 terminates at the San Francisco Bay area and the Los Angeles area,
11 or points in between. *Internal shipment of oil does not include*
12 *lightering, as defined in paragraph (4) of subdivision (l) of Section*
13 *790 of Title 14 of the California Code of Regulations.*

14 (e) “Marine facility” means any facility of any kind, other than
15 a vessel, which is or was used for the purpose of exploring for,
16 drilling for, producing, storing, handling, transferring, processing,
17 refining, or transporting oil and is located in marine waters, or is
18 located where a discharge could impact marine waters unless the
19 facility (1) is subject to Chapter 6.67 (commencing with Section
20 25270) or Chapter 6.75 (commencing with Section 25299.10) of
21 Division 20 of the Health and Safety Code or (2) is placed on a
22 farm, nursery, logging site, or construction site and does not
23 exceed 20,000 gallons in a single storage tank. A drill ship,
24 semisubmersible drilling platform, jack-up type drilling rig, or any
25 other floating or temporary drilling platform is a “marine
26 facility.” A small craft refueling dock is not a “marine facility.”

27 (f) “Marine terminal” means any marine facility used for
28 transferring oil to or from tankers or barges. A marine terminal
29 includes all piping not integrally connected to a tank facility as
30 defined in subdivision (k) of Section 25270.2 of the Health and
31 Safety Code.

32 (g) “Oil” means any kind of petroleum, liquid hydrocarbons,
33 or petroleum products or any fraction or residues therefrom,
34 including, but not limited to, crude oil, bunker fuel, gasoline,
35 diesel fuel, aviation fuel, oil sludge, oil refuse, oil mixed with
36 waste, and liquid distillates from unprocessed natural gas.

37 (h) “Onshore facility” means any facility of any kind that is
38 located entirely on lands not covered by marine waters.

39 (i) “Operator,” when used in connection with a vessel, marine
40 terminal, pipeline, or facility, means any person or entity that



1 owns, has an ownership interest in, charters, leases, rents, operates,
2 participates in the operation of, or uses, that vessel, terminal,
3 pipeline, or facility. “Operator” does not include any entity that
4 owns the land underlying the facility or the facility itself, where the
5 entity is not involved in the operation of the facility.

6 (j) “Pipeline” means any pipeline used at any time to transport
7 oil.

8 (k) “Responsible party” or “party responsible” means either
9 of the following:

10 (1) The owner or transporter of oil or a person or entity
11 accepting responsibility for the oil.

12 (2) The owner, operator, or lessee of, or person who charters by
13 demise, any vessel or marine facility or a person or entity accepting
14 responsibility for the vessel or marine facility.

15 (l) “State oil spill contingency plan” means the state oil spill
16 contingency plan prepared pursuant to Article 3.5 (commencing
17 with Section 8574.1) of Chapter 7 of Division 1 of Title 2 of the
18 Government Code.

19 (m) “Tanker” means any self-propelled, waterborne vessel,
20 constructed or adapted for the carriage of oil in bulk or in
21 commercial quantities as cargo.

22 (n) “Vessel” means a tanker or barge as defined in this section.

23 8783. (a) The commission shall develop a form that is to be
24 completed by the operator or responsible party engaged in the
25 ~~internal trafficking~~ *shipment* of oil. The form shall be known as the
26 “Oil Transfer and Transportation Emission and Risk Reduction
27 Form.” The form shall be designed to enable the commission to
28 obtain and track the amount and type of oil transported, as well as
29 the method, path, and emissions relating to the ~~internal trafficking~~
30 *shipment* of that oil between onshore processing and refining
31 facilities, marine facilities, or marine terminals.

32 (b) The form shall contain, but need not be limited to, all of the
33 following information:

34 (1) The terminal or facility of loading and departure.

35 (2) The terminal or facility for offloading.

36 (3) The type and amount of oil being transported.

37 (4) The source of crude oil, *if the shipment of the crude oil*
38 *originates or terminates in the San Francisco Bay area and is*
39 *loaded, transported, and unloaded in the Los Angeles area.*



1 (5) An indication of whether the reason for the transfer of the
2 oil was due to a temporary shutdown or partial shutdown of key
3 refinery facilities.

4 (6) The type of vessel or barge used to transport the oil.

5 (7) The type of engine and fuel used to power the vessel or
6 barge.

7 (8) The dates of travel and the route.

8 (9) The estimated amount and type of air emissions. *To the*
9 *extent practicable, the emission factors developed by the United*
10 *States Environmental Protection Agency shall be used to estimate*
11 *the amount of air emissions. The commission shall ensure that*
12 *charter vessel emissions are not counted more than once.*

13 (10) The estimated amount of any ballast discharge and the
14 place of discharge.

15 (c) The form shall be filed with the commission on a quarterly
16 basis by the operator or responsible party engaged in the internal
17 ~~trafficking~~ *shipment* of oil for the activities of the preceding
18 quarter.

19 (d) *In developing the form and the reporting process, the*
20 *commission shall consult with the interested parties including*
21 *operators, responsible parties, and the International Maritime*
22 *Organization.*

23 8784. (a) On or before July 31 of each year, the commission
24 shall file a report with the Legislature summarizing the
25 information and including all of the following:

26 (1) A description of any trends in the total number of trips by
27 oil type, amount of shipment, and source of oil.

28 (2) The number of transfers due to refinery shutdowns.

29 (3) The location of air emissions and ballast discharge, and the
30 type of vessel used during those events.

31 (4) A discussion of any other pertinent issues that the
32 commission determines should be included.

33 (b) The commission shall transmit a copy of the report to any
34 local or state agency that requests a copy, if the commission
35 determines that the activities of the requesting agency may be
36 affected by the internal ~~trafficking~~ *shipment* of oil, including, but
37 not limited to, agencies involved in permitting oil facilities or oil
38 terminals, regulating oil extraction or oil transportation
39 operations, planning and executing emergency responses to oil
40 spills, implementing the state oil contingency plan, planning and



1 measuring air quality, or analyzing, assessing, and planning
2 relating to environmental justice impacts as required by Section
3 71114.1, or any combination of those functions.

4 8785. The commission shall consult with the administrator,
5 other state agencies, and agencies of the federal government,
6 including, but not limited to, the United States Coast Guard and the
7 federal Department of Transportation, to the maximum extent
8 feasible, before undertaking actions under this division.

9 8786. (a) The commission may charge a fee to operators and
10 responsible parties who are engaged in the internal ~~trafficking~~
11 *shipment* of oil, in an amount sufficient to cover the expenses of
12 developing the forms, verifying and processing the information,
13 and reporting on the trends, as required under this division. *The*
14 *commission shall establish the fee in an amount calculated to*
15 *render a total aggregate amount of not more than seventy-five*
16 *thousand dollars (\$75,000) per year.*

17 (b) Funds received by the commission under this section shall
18 be deposited in the Oil Spill Prevention and Administration Fund
19 established in the State Treasury under Section 8670.38 of the
20 Government Code, and shall be available, upon appropriation, to
21 cover the costs incurred by the commission in implementing this
22 division.

23 8787. This division applies to all terminals, pipelines,
24 facilities, vessels, and activities in the state, whether on lands that
25 have been granted by the Legislature to local governments or on
26 lands that remain ungranted.

27 8788. *Any information collected under this division for the*
28 *purpose of explaining why oil was transferred shall be kept*
29 *confidential and reported only in the aggregate by the commission,*
30 *in a manner that protects the competitive nature of the information.*

31 8789. *This division shall remain in effect only until January*
32 *1, 2010, and as of that date is repealed, unless a later enacted*
33 *statute, which is enacted before January 1, 2010, deletes or*
34 *extends that date.*

