

SENATE
STATE OF MINNESOTA
EIGHTY-EIGHTH SESSION

S.F. No. 2796

(SENATE AUTHORS: JENSEN, Dibble, Kent, Schmit and Dziedzic)

DATE	D-PG	OFFICIAL STATUS
03/19/2014	6383	Introduction and first reading Referred to Judiciary
03/20/2014	6414	Withdrawn and re-referred to Transportation and Public Safety
03/24/2014	6803	Author added Dziedzic
03/27/2014	6958a	Comm report: To pass as amended and re-refer to Finance

A bill for an act

1.1 relating to transportation; public safety; providing for railroad and pipeline safety
 1.2 and emergency response preparedness for oil and other hazardous materials;
 1.3 specifying powers and duties; transferring money; requiring legislative report;
 1.4 amending Minnesota Statutes 2012, section 115E.08, by adding a subdivision;
 1.5 proposing coding for new law in Minnesota Statutes, chapter 299A.
 1.6

1.7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.8 Section 1. Minnesota Statutes 2012, section 115E.08, is amended by adding a
 1.9 subdivision to read:

1.10 Subd. 3a. **Railroad and pipeline preparedness; public safety.** The commissioner
 1.11 of public safety shall carry out public safety protection activities related to railroad and
 1.12 pipeline spill and discharge preparedness. Duties under this subdivision include, but
 1.13 are not limited to:

1.14 (1) assisting local emergency managers and fire officials to understand the hazards
 1.15 of oil and hazardous substances, as well as general strategies for hazard identification,
 1.16 initial isolation, and other actions necessary to ensure public safety;

1.17 (2) assisting railroads and pipeline companies to develop suggested protocols and
 1.18 practices for local first responder use in protecting the public's safety;

1.19 (3) facilitating cooperation between railroads, pipeline companies, county and city
 1.20 emergency managers, and other public safety organizations;

1.21 (4) participating in major exercises and training sessions;

1.22 (5) assisting local units of government to incorporate railroad and pipeline hazard
 1.23 and response information into local emergency operations plans;

1.24 (6) monitoring the public safety-related training and planning requirements of
 1.25 section 115E.03; and

2.1 (7) referring noncompliance with section 115E.03 to the Pollution Control Agency.

2.2 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.3 Sec. 2. **[299A.55] RAILROAD AND PIPELINE SAFETY; OIL AND OTHER**
2.4 **HAZARDOUS MATERIALS.**

2.5 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms
2.6 have the meanings given them.

2.7 (b) "Hazardous substance" has the meaning given in section 115B.02, subdivision 8.

2.8 (c) "Oil" has the meaning given in section 115E.01, subdivision 8.

2.9 (d) "Pipeline company" means any individual, partnership, association, or public
2.10 or private corporation required to show specific preparedness under section 115E.03,
2.11 subdivision 2.

2.12 (e) "Railroad" means a common carrier, as defined under section 218.011, subdivision
2.13 10, required to show specific preparedness under section 115E.03, subdivision 2.

2.14 (f) "Unit train" means a train with more than 25 tanker railcars carrying oil or
2.15 hazardous substance cargo.

2.16 Subd. 2. **Railroad and pipeline safety account.** (a) A railroad and pipeline safety
2.17 account is created in the special revenue fund. The account consists of funds collected
2.18 under subdivision 4, and funds donated, allotted, transferred, or otherwise provided to the
2.19 account.

2.20 (b) Money in the account is annually appropriated to the commissioner of public
2.21 safety for the purposes specified in subdivision 3.

2.22 Subd. 3. **Allocation of railroad and pipeline safety funds.** (a) Subject to funding
2.23 appropriated for this subdivision, the commissioner shall provide funds for training and
2.24 response preparedness related to:

2.25 (1) derailments, discharge incidents, or spills involving trains carrying oil or other
2.26 hazardous substances; and

2.27 (2) pipeline discharge incidents or spills involving oil or other hazardous substances.

2.28 (b) The commissioner shall allocate available funds to the Board of Firefighter
2.29 Training and Education under section 299N.02 and the Division of Homeland Security
2.30 and Emergency Management.

2.31 (c) Prior to making allocations under paragraph (b), the commissioner shall consult
2.32 with the Fire Service Advisory Committee under section 299F.012, subdivision 2.

2.33 (d) The commissioner and the entities identified in paragraph (b) shall prioritize
2.34 uses of funds based on:

2.35 (1) firefighter training needs;

3.1 (2) community risk from discharge incidents or spills;

3.2 (3) geographic balance; and

3.3 (4) recommendations of the Fire Service Advisory Committee.

3.4 (e) The following are permissible uses of funds provided under this subdivision:

3.5 (1) training costs, which may include, but are not limited to, training curriculum,
3.6 trainers, trainee overtime salary, other personnel overtime salary, and tuition;

3.7 (2) costs of gear and equipment related to hazardous materials, readiness, response,
3.8 and management, which may include, but is not limited to, original purchase, maintenance,
3.9 and replacement;

3.10 (3) supplies related to the uses under clauses (1) and (2); and

3.11 (4) emergency preparedness planning and coordination.

3.12 (f) Notwithstanding paragraph (b), from funds in the railroad and pipeline safety
3.13 account provided for the purposes under this subdivision, the commissioner may retain a
3.14 balance in the account for budgeting in subsequent fiscal years.

3.15 Subd. 4. **Assessments; oil and hazardous substances.** (a) The commissioner of
3.16 public safety shall annually assess \$2,500,000 to railroad and pipeline companies based on
3.17 the formula specified in paragraph (b). The commissioner shall deposit funds collected
3.18 under this subdivision in the railroad and pipeline safety account under subdivision 2.

3.19 (b) The assessment for each railroad is 50 percent of the total annual assessment
3.20 amount, divided in equal proportion between common carriers based on route miles of unit
3.21 trains operated in Minnesota. The assessment for each pipeline company is 50 percent of
3.22 the total annual assessment amount, divided in equal proportion between companies based
3.23 on the yearly aggregate gallons of oil and hazardous substances transported in Minnesota.
3.24 The assessment must be in equal amounts for each day of the fiscal year.

3.25 (c) The assessments under this subdivision expire on July 1, 2019.

3.26 **EFFECTIVE DATE.** This section is effective July 1, 2014.

3.27 Sec. 3. **LEGISLATIVE REPORT ON INCIDENT PREPAREDNESS FOR OIL**
3.28 **AND OTHER HAZARDOUS MATERIALS TRANSPORTATION BY RAIL AND**
3.29 **PIPELINE.**

3.30 By January 15, 2015, the commissioner of public safety shall submit a report on
3.31 incident and emergency response preparedness for oil and other hazardous materials
3.32 transported by rail and pipeline to the chairs and ranking minority members of the
3.33 legislative committees with jurisdiction over transportation and public safety policy and
3.34 finance. At a minimum, the report must:

3.35 (1) summarize the preparedness and emergency response framework in the state;

4.1 (2) provide an assessment of costs and needs of fire departments and other
4.2 emergency first responders for training and equipment to respond to discharge or spill
4.3 incidents involving oil and other hazardous materials transported by rail and pipeline;

4.4 (3) summarize the allocation and uses of funds under Minnesota Statutes, section
4.5 299A.55; and

4.6 (4) provide recommendations for any legislative changes.

4.7 Sec. 4. **TRANSFER; RAILROAD AND PIPELINE SAFETY.**

4.8 On or before July 31, 2014, the commissioner of management and budget shall
4.9 transfer \$2,500,000 from the general fund to the railroad and pipeline safety account in the
4.10 special revenue fund under Minnesota Statutes, section 299A.55. This is a onetime transfer.

4.11 **EFFECTIVE DATE.** This section is effective July 1, 2014.