

108TH CONGRESS
2D SESSION

H. R. 5431

To amend the Oil Pollution Act of 1990 to prevent oil spills and increase liability limits, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 7, 2004

Mr. PALLONE introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

A BILL

To amend the Oil Pollution Act of 1990 to prevent oil spills and increase liability limits, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Oil Spill Prevention
5 and Liability Act of 2004”.

6 **SEC. 2. DEFINITION OF RESPONSIBLE PARTY.**

7 Section 1001(32) of the Oil Pollution Act of 1990
8 (33 U.S.C. 2701(32)) is amended by striking subpara-
9 graph (A) and inserting the following:

10 “(A) VESSELS.—

1 “(i) IN GENERAL.—In the case of a
2 vessel other than a single-hull tank vessel,
3 any person that owns, operates, or demise
4 charters the vessel.

5 “(ii) SINGLE-HULL TANK VESSELS.—
6 In the case of a single-hull tank vessel, any
7 person that—

8 “(I) owns, operates, or demise
9 charters the vessel; or

10 “(II) by contract or agreement,
11 through an agent, or otherwise, ar-
12 ranges for the shipment in a single-
13 hull tank vessel of oil owned or pos-
14 sessed by the person or any other per-
15 son.”.

16 **SEC. 3. LIMITS ON LIABILITY.**

17 (a) INCREASE IN LIABILITY LIMITS.—Section
18 1004(a) of the Oil Pollution Act of 1990 (33 U.S.C.
19 2704(a)) is amended—

20 (1) in paragraph (1)—

21 (A) by striking “for a tank vessel, the
22 greater of—” and inserting “for a double-hull
23 tank vessel, after December 31, 2004, the
24 greater of—”;

1 (B) in subparagraph (A), by striking
2 “\$1,200” and inserting “\$2,400”; and

3 (C) in subparagraph (B)—

4 (i) in clause (i), by striking
5 “\$10,000,000” and inserting
6 “\$20,000,000”; and

7 (ii) in clause (ii), by striking
8 “\$2,000,000” and inserting “\$4,000,000”;

9 (2) by redesignating paragraphs (2) through
10 (4) as paragraphs (3) through (5), respectively;

11 (3) by inserting after paragraph (1) the fol-
12 lowing:

13 “(2) for a single-hull tank vessel—

14 “(A) during the period beginning January
15 1, 2005, and ending December 31, 2005, the
16 greater of—

17 “(i) \$2,400 per gross ton; or

18 “(ii)(I) in the case of a vessel of
19 greater than 3,000 gross tons,
20 \$20,000,000; or

21 “(II) in the case of a vessel of 3,000
22 gross tons or less, \$4,000,000;

23 “(B) during the period beginning January
24 1, 2006, and ending December 31, 2006, the
25 greater of—

1 “(i) \$3,600 per gross ton; or

2 “(ii)(I) in the case of a vessel of
3 greater than 3,000 gross tons,
4 \$30,000,000; or

5 “(II) in the case of a vessel of 3,000
6 gross tons or less, \$6,000,000;

7 “(C) during the period beginning January
8 1, 2007, and ending December 31, 2007, the
9 greater of—

10 “(i) \$4,800 per gross ton; or

11 “(ii)(I) in the case of a vessel of
12 greater than 3,000 gross tons,
13 \$40,000,000; or

14 “(II) in the case of a vessel of 3,000
15 gross tons or less, \$8,000,000;

16 “(D) during the period beginning January
17 1, 2008, and ending December 31, 2008, the
18 greater of—

19 “(i) \$6,000 per gross ton; or

20 “(ii)(I) in the case of a vessel of
21 greater than 3,000 gross tons,
22 \$50,000,000; or

23 “(II) in the case of a vessel of 3,000
24 gross tons or less, \$10,000,000;

1 “(E) during the period beginning January
2 1, 2009, and ending December 31, 2009, the
3 greater of—

4 “(i) \$7,200 per gross ton; or

5 “(ii)(I) in the case of a vessel of
6 greater than 3,000 gross tons,
7 \$60,000,000; or

8 “(II) in the case of a vessel of 3,000
9 gross tons or less, \$12,000,000; and

10 “(F) after December 31, 2009, the max-
11 imum amount permitted under the Constitu-
12 tion;”;

13 (4) in paragraph (3) (as redesignated by para-
14 graph (2))—

15 (A) by striking “\$600” and inserting
16 “\$1,200”; and

17 (B) by striking “\$500,000” and inserting
18 “\$1,000,000”;

19 (5) in paragraph (4) (as redesignated by para-
20 graph (2)), by striking “\$75,000,000” and inserting
21 “\$150,000,000”; and

22 (6) in paragraph (5) (as redesignated by para-
23 graph (2)), by striking “\$350,000,000” and insert-
24 ing “\$700,000,000”.

1 (b) ADJUSTMENT OF LIABILITY LIMITS.—Section
2 1004(d) of the Oil Pollution Act of 1990 (33 U.S.C.
3 2704(d)) is amended—

4 (1) by striking paragraphs (1) and (2) and in-
5 serting the following:

6 “(1) DEEPWATER PORTS AND ASSOCIATED VES-
7 SELS.—The Secretary may establish a limit of liabil-
8 ity of less than \$700,000,000, but not less than
9 \$100,000,000, for the transportation of oil by vessel
10 to deepwater ports (as defined in section 3 of the
11 Deepwater Port Act of 1974 (33 U.S.C. 1502).”;
12 and

13 (2) by redesignating paragraphs (3) and (4) as
14 paragraphs (2) and (3), respectively.

15 (c) ADJUSTMENT FOR INFLATION.—Paragraph (2)
16 of section 1004(d) of the Oil Pollution Act of 1990 (33
17 U.S.C. 2704(d)) (as redesignated by subsection (b)(2)) is
18 amended—

19 (1) by striking “The President” and inserting
20 “The Secretary of the department in which the
21 Coast Guard is located, in consultation with the Ad-
22 ministrator of the Environmental Protection Agency
23 and the Secretary of the Interior,”; and

24 (2) by striking “significant”.

1 **SEC. 4. CARRIAGE OF LIQUID BULK DANGEROUS CARGOES.**

2 (a) CONDITIONS FOR ENTRY TO PORTS IN THE
3 UNITED STATES.—Section 9 of the Ports and Waterways
4 Safety Act (33 U.S.C. 1228) is amended by adding at the
5 end the following:

6 “(c) RISK OF SEVERE HARM.—Not later than Janu-
7 ary 1, 2006, the Secretary of the department in which the
8 Coast Guard is located shall promulgate regulations under
9 which the owner or operator of a port on the navigable
10 waters of the United States may, after December 31,
11 2009, place restrictions on the entry into port of a tank
12 vessel shipment presenting a risk of severe harm to the
13 port or port region.”.

14 (b) INSPECTION AND EXAMINATION.—Section
15 3714(a) of title 46, United States Code, is amended by
16 adding at the end the following:

17 “(6) In addition to the inspections required
18 under paragraphs (1) and (2), each single-hull tank
19 vessel that is more than 15 years of age shall under-
20 go an annual inspection in accordance with the Con-
21 dition Assessment Scheme of the Marine Environ-
22 ment Protection Committee of the International
23 Maritime Organization, adopted by Resolution
24 94(46) on April 27, 2001, as determined in accord-
25 ance with regulations promulgated by the Sec-
26 retary.”.

1 **SEC. 5. STUDY.**

2 (a) ADMINISTRATION.—The Commandant of the
3 Coast Guard shall offer to enter into a contract with the
4 National Academy of Sciences to conduct a study to assess
5 the total economic cost of oil spills, and the types of costs
6 resulting from oil spills, in the United States.

7 (b) REPORT.—Not later than 1 year after the date
8 of enactment of this Act, the Commandant of the Coast
9 Guard shall submit to Congress a report describing the
10 results of the study.

11 **SEC. 6. EFFECTIVE DATE.**

12 This Act and the amendments made by this Act take
13 effect on January 1, 2005.

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