

May 11, 2020



The Honorable Monique Limon State Assembly, District 37 State Capitol, Room 6031 Sacramento, CA 95814

Re: NOTICE of OPPOSITION - AB3214 (Limon) – Oil Spill Penalities In Assembly Natural Resources Committee – Wednesday, May 13<sup>th</sup>.

Dear Assemblymember Limon:

The California Railroad Industry has taken an oppose position on AB3214, your measure which was just amended to significantly increase existing penalties relative to oil spill occurrences and provide broad discretion to courts to add more fines in association with inland oil spills.

As amended May 4<sup>th</sup>, 2020, AB3214 would double existing fines resulting in a potential \$1 million penalty for each day a violation occurs. This bill would authorize a court to also impose a fine up to ten thousand dollars (\$10,000) per gallon spilled.

This statue already includes punishment by imprisonment in a county jail for up to one year for a person involved with a spill, and applies not only to a person who knowingly engages in or causes a discharge, but to "a person who reasonably should have known" the person was engaged or causing the discharge into waters of the state – a very difficult standard to defend no matter what the actual cause of the discharge. In addition, the current proposed fine increases are already excessive, particularly when coupled with strict liability that applies to railroads.

The railroads highest priority is providing reliable and safe transportation of our client's goods throughout our service areas. Our cargo delivery safety record is exemplary. The members of the California Railroad Industry spend millions per year to inspect and maintain our tracks and equipment and continue to make major capital infrastructure investments in California that has further enhanced safe transportation. The railroads also pay for the entire CPUC rail safety enforcement program through annual fees.

The railroads also maintain highly-trained internal response teams that are dispatched quickly in the event of any discharge or spill, working cooperatively with first responders.

Such a punitive increase in fines isn't warranted. For these reasons, the California Railroad Industry must respectfully oppose this bill.

Sincerely,

**Don Maddy** Executive Director BNSF Railway Company

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cc: Hon. Laura Friedman, Chair of Assembly Natural Resources Committee Hon. Heath Flora, Vice-Chair of Assembly Natural Resources Committee Members, Assembly Natural Resources Committee Michael Jarred, Sr. Consultant, Assembly Natural Resources Committee Kirstin Kolpitcke, Assembly Republican Caucus