



SEPTEMBER 29, 2020

CIRCULAR NO. 35/20

TO MEMBERS OF THE ASSOCIATION

Dear Member:

**CALIFORNIA: INCREASED CRIMINAL PENALTIES FOR OIL SPILL-RELATED OFFENSES**

On September 24, 2020, Governor Gavin Newsom signed Assembly Bill (AB) 3214 into law. This increases criminal penalties for oil spill-related offenses under California's Lempert-Keene-Seastrand Oil Spill Prevention and Response Act.

Under earlier California law, codified as Section 8670.64 of the California Government Code, oil spill-related violations could be criminally punished with a fine of between \$5,000 to \$500,000.

The new law significantly increases penalties in two ways:

- The new law doubles the existing fines such that, upon conviction, a state court must now impose a fine of between \$10,000 and \$1,000,000; and
- For spills over 1,000 gallons, the new law permits courts to impose a new, additional fine of up to \$1,000 per gallon spilled.

The new law affects only fines. The underlying offenses apply to a "person" who:

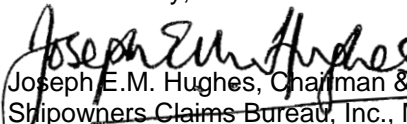
- Knowingly fails to follow the direction or orders of the administrator in connection with an oil spill;
- Knowingly fails to notify the Coast Guard that a vessel is disabled within one hour of the disability and the vessel, while disabled, causes a discharge of oil that enters marine waters;
- Knowingly engages in or causes the discharge or spill of oil into waters of the state, or a person who reasonably should have known that the person was engaging in or causing the discharge or spill of oil into waters of the state, unless the discharge is authorized by the United States, the state, or another agency with appropriate jurisdiction;
- Knowingly fails to begin cleanup, abatement, or removal of spilled oil as required in Section 8670.25.

A "person" is defined to include "an individual, trust, firm, joint stock company, or corporation." (Gov. C. § 8670.3).

A link to the amended bill is set out below:

[https://leginfo.legislature.ca.gov/faces/billCompareClient.xhtml?bill\\_id=201920200AB3214&showamends=false](https://leginfo.legislature.ca.gov/faces/billCompareClient.xhtml?bill_id=201920200AB3214&showamends=false)

Yours faithfully,

  
Joseph E.M. Hughes, Chairman & CEO  
Shipowners Claims Bureau, Inc., Managers for  
**THE AMERICAN CLUB**