

OHIO LEGISLATIVE SERVICE COMMISSION

Bill Analysis

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S.B. 217 132nd General Assembly (As Introduced)

Sens. Schiavoni, Yuko, Skindell, Tavares, Brown

BILL SUMMARY

- Increases the criminal penalties for violations of provisions of the Oil and Gas Law relating to the improper disposal of brine.
- Requires the Chief of the Division of Oil and Gas Resources Management to revoke, and deny future applications for, any permit issued under that Law if the permit holder is convicted of or pleads guilty to the improper disposal of brine.
- Authorizes the sentencing court to order a person to reimburse the state agency or a political subdivision for any response costs incurred in responding to a violation related to the improper disposal of brine, including the cost of rectifying it and conditions caused by it.
- Subjects a person to both a civil penalty and a criminal penalty under the Oil and Gas Law for the same offense.

CONTENT AND OPERATION

Improper disposal of brine

The use of fluids to stimulate oil and gas well operations¹ produces waste known as brine, which is waste water with a high saline content that includes other substances.² Current law generally prohibits a person from processing or disposing of brine that could reasonably be anticipated to cause damage or injury to public health or

¹ Well stimulation helps to increase the production of oil and gas from a well.

² See R.C. 1509.01(U).

the environment. Further, a person is prohibited from injecting brine into an underground formation without a permit issued by the Chief of the Division of Oil and Gas Resources Management.³

The bill increases the criminal penalties for violations of these provisions relating to the improper disposal of brine. First, it declares that a knowing violation of these provisions is a felony.⁴ Next, it adjusts the penalties for the offense as set forth in the following table:

The Bill	Current Law
1. A knowing violation is punishable by:	1. A knowing violation is punishable by:
a. A fine of not less than \$10,000 nor	a. A fine of \$10,000; or
more than \$50,000; or	b. Imprisonment for six months; or
b. Imprisonment for three years; or	c. Both.
c. Both.	
 A subsequent knowing violation is punishable by: 	 A subsequent knowing violation is punishable by:
a. A fine of not less than \$20,000 nor	a. A fine of \$20,000; or
more than \$100,000; or	b. Imprisonment for two years; or
b. Imprisonment for six years; or	c. Both.
c. Both.	

In addition to the penalties set forth above, the bill requires the Chief to permanently revoke each permit issued to a permit holder and to deny any future applications for permits by the violator.⁵ Current law does not specifically require the Chief to revoke permits or deny future applications for those violations.

Finally, under the bill, if a person is convicted of or pleads guilty to a knowing violation of the provisions of the Oil and Gas Law relating to the improper disposal of brine, the court imposing the sentence may order the person to reimburse the state agency or a political subdivision for any response costs incurred in responding to the violation, including the cost of rectifying the violation and conditions caused by it.⁶

³ R.C. 1509.22(A) and (D), not in the bill. The Division is under the authority of the Department of Natural Resources.

⁴ R.C. 1509.99(C)(2).

⁵ R.C. 1509.051.

⁶ R.C. 1509.99(E).

Concurrent civil and criminal penalties

The bill subjects a person to both a civil penalty and a criminal penalty under the Oil and Gas Law for the same offense. Current law provides that a person cannot be subject to both a civil penalty and a fine imposed as part of a criminal penalty for the same offense.⁷

HISTORY	
ACTION	DATE
Introduced	10-12-17

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⁷ R.C. 1509.33(H).