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HYDROCARBON OMBUDSMAN OFFICE

House Bill 4080

Sponsor: Rep. Larry DeVuyst
**Committee: Conservation and Outdoor
Recreation**

Complete to 2-17-99

A SUMMARY OF HOUSE BILL 4080 AS INTRODUCED 1-28-99

The bill would amend the Natural Resources and Environmental Protection Act (NREPA) to establish a new part, Part 628, to regulate hydrocarbon policy. Under the bill, an Office of the Hydrocarbon Ombudsman would be established within the Department of Environmental Quality (DEQ), with a Hydrocarbon Ombudsman as the office's principal executive officer. The bill would specify that all state agencies would have to cooperate fully with the ombudsman and assist him or her in performing the duties and responsibilities of the office. The provisions of the bill would expire four years after its effective date.

Hydrocarbon Ombudsman. The bill would specify that the ombudsman would be appointed by the director of the DEQ; would be trained in, or knowledgeable about, oil and gas drilling and extraction; would be familiar with state agencies' environmental decision-making processes; and would have experience in liaison with local units of government and the public regarding oil and gas matters. Under the bill, the ombudsman would be required to do all of the following:

**** Serve as a facilitator between the state and local units of government on oil and gas development.**

**** Provide local units of government with information on oil and gas development that included safety requirements and emergency reporting procedures, oil and gas exploration, drilling, permitting, hydrogen sulfide management, surveillance, enforcement, leases, pooling, and department rules, orders, and standards.**

**** Establish a notification process whereby the supervisor of wells notifies local units of government of drilling permits.**

**** Organize an annual hydrocarbon policy conference, sponsored by the DEQ and the Department of Natural Resources (DNR) for local units of government and concerned citizens.**

**** Establish a partnership with Western Michigan University's (WMU) Oil and Gas Industry Department.**

**** Prepare an annual report for the legislature that included, at a minimum, the following information for the previous year: an overview of the status of hydrocarbon development activity;**

the number of permits issued and wells drilled; the occurrence of accidents; and the number of violations identified in enforcement actions, with a description of the nature of the violations.

Department Duties and Responsibilities. The DEQ would be required to establish procedures for approval of the Office of the Hydrocarbon Ombudsman budget, for expenditure of its funds, and for employing the office's personnel.

MCL 324.61801

Analyst: R. Young

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.