

HOUSE BILL No. 4080

January 28, 1999, Introduced by Reps. DeVuyst and Gilbert and referred to the Committee on Conservation and Outdoor Recreation.

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
(MCL 324.101 to 324.90106) by adding part 618; and to repeal acts
and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 PART 618 HYDROCARBON POLICY

2 SEC. 61801. AS USED IN THIS PART:

3 (A) "DEPARTMENT" MEANS THE DEPARTMENT OF ENVIRONMENTAL
4 QUALITY.

5 (B) "DIRECTOR" MEANS THE DIRECTOR OF THE DEPARTMENT.

6 (C) "OMBUDSMAN" MEANS THE HYDROCARBON OMBUDSMAN PROVIDED FOR
7 IN SECTION 61802.

8 SEC. 61802. (1) THE OFFICE OF THE HYDROCARBON OMBUDSMAN IS
9 CREATED WITHIN THE DEPARTMENT.

1 (2) THE PRINCIPAL EXECUTIVE OFFICER OF THE OFFICE OF THE
2 HYDROCARBON OMBUDSMAN IS THE HYDROCARBON OMBUDSMAN.

3 (3) THE OMBUDSMAN SHALL BE APPOINTED BY THE DIRECTOR. THE
4 OMBUDSMAN SHALL BE TRAINED OR KNOWLEDGEABLE IN OIL AND GAS
5 DRILLING AND EXTRACTION, SHALL BE FAMILIAR WITH THE ENVIRONMENTAL
6 DECISION-MAKING PROCESSES OF STATE AGENCIES, AND SHALL HAVE
7 EXPERIENCE IN LIAISON WITH LOCAL UNITS OF GOVERNMENT AND THE
8 PUBLIC REGARDING OIL AND GAS MATTERS.

9 SEC. 61803. THE OMBUDSMAN SHALL DO ALL OF THE FOLLOWING:

10 (A) SERVE AS A FACILITATOR BETWEEN THE STATE AND LOCAL UNITS
11 OF GOVERNMENT REGARDING OIL AND GAS DEVELOPMENT.

12 (B) PROVIDE INFORMATION TO LOCAL UNITS OF GOVERNMENT RELATED
13 TO OIL AND GAS DEVELOPMENT INCLUDING ALL OF THE FOLLOWING:

14 (i) SAFETY REQUIREMENTS AND EMERGENCY REPORTING PROCEDURES.

15 (ii) OIL AND GAS EXPLORATION.

16 (iii) DRILLING.

17 (iv) PERMITTING.

18 (v) HYDROGEN SULFIDE MANAGEMENT.

19 (vi) SURVEILLANCE.

20 (vii) ENFORCEMENT.

21 (viii) LEASES.

22 (ix) POOLING.

23 (x) DEPARTMENT RULES, ORDERS, AND STANDARDS.

24 (C) ESTABLISH A NOTIFICATION PROCESS WHEREBY THE SUPERVISOR
25 OF WELLS NOTIFIES LOCAL UNITS OF GOVERNMENT OF DRILLING PERMITS.

1 (D) ORGANIZE AN ANNUAL HYDROCARBON POLICY CONFERENCE
2 SPONSORED BY THE DEPARTMENT AND THE DEPARTMENT OF NATURAL
3 RESOURCES FOR LOCAL UNITS OF GOVERNMENT AND CONCERNED CITIZENS.

4 (E) ESTABLISH A PARTNERSHIP WITH THE OIL AND GAS INDUSTRY
5 DEPARTMENT AT WESTERN MICHIGAN UNIVERSITY.

6 (F) PREPARE AND SUBMIT TO THE LEGISLATURE AN ANNUAL REPORT
7 FOR THE PREVIOUS YEAR THAT INCLUDES, AT A MINIMUM, ALL OF THE
8 FOLLOWING:

9 (i) A GENERAL OVERVIEW OF THE STATUS OF HYDROCARBON DEVELOP-
10 MENT ACTIVITY.

11 (ii) THE NUMBER OF PERMITS ISSUED AND WELLS DRILLED.

12 (iii) THE OCCURRENCE OF ACCIDENTS.

13 (iv) THE NUMBER OF VIOLATIONS IDENTIFIED IN ENFORCEMENT
14 ACTIONS AND A DESCRIPTION OF THE NATURE OF THE VIOLATIONS.

15 SEC. 61804. ALL AGENCIES OF STATE GOVERNMENT SHALL COOPER-
16 ATE FULLY WITH THE OMBUDSMAN AND SHALL ASSIST THE OMBUDSMAN IN
17 THE PERFORMANCE OF HIS OR HER DUTIES AND RESPONSIBILITIES UNDER
18 THIS PART.

19 SEC. 61805. THE DEPARTMENT SHALL ESTABLISH PROCEDURES FOR
20 APPROVING THE BUDGET OF THE OFFICE, FOR EXPENDING FUNDS, AND FOR
21 THE EMPLOYMENT OF ANY PERSONNEL OF THE OMBUDSMAN.

22 SEC. 61806. THIS PART IS REPEALED UPON THE EXPIRATION OF 4
23 YEARS AFTER ITS EFFECTIVE DATE.