



Senate

General Assembly

File No. 125

February Session, 2014

Senate Bill No. 237

Senate, March 26, 2014

The Committee on Environment reported through SEN. MEYER of the 12th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT PROHIBITING THE STORAGE OR DISPOSAL OF FRACKING WASTE IN CONNECTICUT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (*Effective from passage*) No person shall store or
2 dispose of any material described in 40 CFR Part 261.4(b)(5). The
3 Commissioner of Energy and Environmental Protection shall enforce
4 the provisions of this section and shall adopt regulations, in
5 accordance with chapter 54 of the general statutes, to establish a
6 schedule of penalties for the violation of this section.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	New section
-----------	---------------------	-------------

ENV Joint Favorable

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 15 \$	FY 16 \$
Judicial Dept. ¹	GF - Revenue Gain	Potential	Potential
Department of Energy and Environmental Protection	GF - Cost	55,000	56,650
Comptroller	GF - Cost	20,163	20,768

Municipal Impact: None

Explanation

The bill prohibits anyone from storing or disposing of fracking waste as defined by the federal Resource Conservation and Recovery Act (RCRA). It also requires the Department of Energy and Environmental Protection (DEEP) to establish regulations and a schedule of penalties for violations.

To administer enforcement of the prohibition and to prepare the regulations and schedule of penalties, DEEP would require a new position, an Environmental Analyst II (EA II). The starting salary for an EA II is approximately \$55,000. The FY 15 cost would be \$75,163 and the FY 16 cost would be \$77,418, including fringe benefits.²

The bill may also result in a revenue gain as it requires DEEP to establish a schedule of penalties. It is anticipated that violations will

¹ Statutory violations are subject to Infractions Bureau procedures which allow the accused to pay the fine by mail without making a court appearance.

²The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 36.66% of payroll in FY 15 and FY 16.

be established at up to \$25,000 per day, per violation.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation and the number of violations.

OLR Bill Analysis**SB 237*****AN ACT PROHIBITING THE STORAGE OR DISPOSAL OF FRACKING WASTE IN CONNECTICUT.*****SUMMARY:**

This bill prohibits the storage or disposal in Connecticut of drilling fluid, wastewater that flows out of petroleum wells (known as produced waters), and other waste associated with the exploration, development, or production of crude oil, natural gas, or geothermal energy. The bill defines these wastes by incorporating by reference a federal regulation exempting these substances from regulation as a hazardous waste (See BACKGROUND). The prohibition includes wastes from drilling sites employing hydraulic fracturing as well as traditional drilling techniques.

The bill requires the Department of Energy and Environmental Protection (DEEP) commissioner to enforce the prohibition and to adopt regulations establishing a schedule of penalties for violations. The bill does not specify a maximum penalty.

EFFECTIVE DATE: Upon passage

BACKGROUND***Federal Hazardous Waste Regulations***

Federal regulations currently exempt such material from hazardous waste requirements under the Resource Conservation and Recovery Act (RCRA).

RCRA regulations provide an exception from regulation as a hazardous waste to drilling fluids, produced waters, and other wastes that would otherwise be regulated as hazardous wastes. The exception is linked to the source of these materials, which must be the

exploration, development, or production of crude oil, natural gas, or geothermal energy (40 CFR Part 261.4(b)(5)).

Related Bills

sHB 5308, which the Environment Committee reported favorably, bans the storage, treatment, transfer, disposal, sale, or trade of hydraulic fracturing waste in Connecticut until DEEP adopts regulations controlling it as a hazardous waste. The bill directs DEEP to create a special permit allowing for the importation of up to 1,000 gallons of hydraulic fracturing waste for treatment.

COMMITTEE ACTION

Environment Committee

Joint Favorable

Yea 22 Nay 5 (03/07/2014)