



OHIO LEGISLATIVE SERVICE COMMISSION

Tom Wert

Fiscal Note & Local Impact Statement

Bill: S.B. 165 of the 132nd G.A.

Status: As Introduced

Sponsor: Sens. Dolan and Skindell

Local Impact Statement Procedure Required: No

Subject: Establishes conditions for the sale of brine from certain oil or gas operations

Detailed Fiscal Analysis

Under the bill, the Division of Oil and Gas Resources Management within the Department of Natural Resources could incur minimal new costs to review documentation submitted by individuals who wish to sell processed or recycled brine derived from oil and gas production at vertical wells as a commodity. Specifically, the bill requires that a holder of a permit, order, or approval to dispose of brine who wishes to sell brine as a commodity demonstrate that its intended use is not expected to result in damage or injury to public health, safety, or the environment. Any of the following information satisfies this requirement: (1) documentation that the Ohio Department of Transportation (ODOT) has approved the commodity for de-icing or snow control, (2) documentation that the commodity, with or without a corrosion inhibitor, is listed on the most recent Pacific Northwest Snowfighters qualified products list, or (3) documentation from a private certification entity approved by ODOT. After submitting the documentation, the brine may be sold for purposes of surface application in de-icing, dust control, portable restrooms, or any other purpose approved by the Chief. The bill also allows the Chief of the Division of Oil and Gas Resources Management to establish reporting requirements and to collect up to four samples of a commodity from a seller each year.

If the Chief requires commodity sellers to report certain information or collects commodity samples from sellers, the Division of Oil and Gas Resources Management could incur additional new costs. However, the bill does not appear to create significant additional workloads for the Division, and any new costs are likely to be minimal at most. Core regulatory and oversight functions related to oil and gas production and related waste management are paid from the Oil and Gas Well Fund (Fund 5180).