



# Ohio Legislative Service Commission

## Bill Analysis

Jeff Grim

### H.B. 500

129th General Assembly  
(As Introduced)

**Reps.** Gerberry, Murray, Gonzales, Boyd, R. Hagan

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## BILL SUMMARY

- Authorizes local governments to levy a fee on the recycling of brine from oil and gas operations to benefit those local governments.

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## CONTENT AND OPERATION

The bill authorizes local governments to levy a fee on the recycling of brine from oil and gas operations to benefit those local governments. Under the bill, for the purposes of defraying the added costs to a county and to a municipal corporation or township resulting from the location and operation of a facility that recycles brine from oil and gas operations within the county and the municipal corporation or township, a county and the municipal corporation or township in which such a facility is located each may levy a fee of 17.5¢ per barrel of brine recycled at the facility. The legislative authority of a county, municipal corporation, or township may levy such a fee by enacting an ordinance or adopting a resolution establishing the fee. Upon doing so, the legislative authority must mail a certified copy of the ordinance or resolution to the owner or operator of the facility that is required to collect the fee and to the Chief of the Division of Oil and Gas Resources Management in the Department of Natural Resources.<sup>1</sup>

Collection of a fee levied under the bill must commence on the first day of the second month following the month in which notification is sent to the owner or operator. The owner or operator of a brine recycling facility must collect the fee on behalf of the county, municipal corporation, or township and forward the proceeds of the fee to the county, municipal corporation, or township, as applicable, on a monthly

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<sup>1</sup> R.C. 1509.39(A) and (B).

basis. A county, municipal corporation, or township that levies a fee under the bill must deposit the proceeds of the fee in the general fund of the county, municipal corporation, or township, as applicable.<sup>2</sup>

Brine is the saline geological formation water resulting from, obtained from, or produced in connection with exploration, drilling, well stimulation, production of oil or gas, or plugging of a well. Well stimulation is the process of enhancing well productivity, including hydraulic fracturing operations.<sup>3</sup>

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## HISTORY

ACTION	DATE
Introduced	03-29-12

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<sup>2</sup> R.C. 1509.39(C) and (D).

<sup>3</sup> R.C. 1509.01(U) and (Z), not in the bill.