



Sen. Dan Kotowski

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1 AMENDMENT TO SENATE BILL 451

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 451 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Hydraulic Fracturing Regulatory Act is  
5 amended by adding Section 1-99.5 as follows:

6 (225 ILCS 732/1-99.5 new)

7 Sec. 1-99.5. The Illinois Active Earthquake Zone  
8 Investigative Task Force.

9 (a) The Department shall, prior to final approval of any  
10 and all new or modified permits for high volume horizontal  
11 fracturing wells and operations, horizontal drilled wells with  
12 fracturing operations, Class II injection disposal wells, and  
13 waste management plans for disposal of oil drilling waste,  
14 liquid natural gas waste, or natural gas drilling waste from  
15 high volume horizontal fracturing wells and operations, and  
16 horizontal drilled wells with fracturing operations, request

1 the approval of those permits, permit modifications, and plans  
2 from the Illinois Active Earthquake Zone Investigative Task  
3 Force, created in subsection (e) of this Section, if the wells  
4 and operations or disposal sites are located within any and all  
5 counties that wholly or partially contain any part of the New  
6 Madrid seismic zone, the Wabash Valley seismic zone, the Ste.  
7 Genevieve seismic zone, the Cottage Grove fault system, the  
8 Rough Creek-Shawneetown fault system, the magmatic system of  
9 Hicks Dome, the Illinois-Kentucky Fluorspar District, or the  
10 NNW-trending La Salle, Du Quoin, and Clay City fold systems.  
11 The requirement of obtaining approval of permits, permit  
12 modifications, or waste management plans from the Illinois  
13 Active Earthquake Zone Investigative Task Force is in addition  
14 to all requirements mandated by this Act.

15 (b) Public notice shall be given no later than 5 days after  
16 a request by the Department of an approval from the Task Force,  
17 via announcement on the Illinois Emergency Management Agency  
18 website in a manner that is accessible and searchable by the  
19 public, including the permits, permit modifications, or waste  
20 management plans, their locations, the operators and companies  
21 involved, and as much detail about the permits, permit  
22 modifications, or waste management plans as is available. The  
23 public announcement shall initiate a public comment period that  
24 shall last for 60 days allowing for public comments, both  
25 electronically and written. The Task Force shall host any  
26 public hearings that it deems necessary and take all public

1 comments under advisement during their process of  
2 deliberation. The public shall be able to, through the website,  
3 request a public hearing on the approval, which shall be  
4 granted if requested by: (i) any stake holder with real  
5 property, water, or business interests within the county, or  
6 immediate adjacent counties, for which the permit,  
7 modification, or disposal plan approval has been requested,  
8 (ii) a community, religious, or environmental organization  
9 with 4 or more members who live within the county or immediate  
10 adjacent counties for which the permit, modification, or  
11 disposal plan approval has been requested, or (iii) 4 or more  
12 members of the general public who live within the county or  
13 immediate adjacent counties for which the permit,  
14 modification, or disposal approval has been requested. The  
15 public hearing, if granted, shall be scheduled by the Task  
16 Force within 60 days of the due date of the approval or denial,  
17 with public notice of at least 14 days, within the county for  
18 which the permit, modification, or disposal plan approval has  
19 been requested. The public hearing shall be attended by at  
20 least 3 members of the Task Force and documented on video,  
21 which shall be archived within 3 days on the Illinois Emergency  
22 Management Agency website and be accessible to the public.

23 (c) The approval or denial of any permits, modifications,  
24 or disposal plans by the Illinois Active Earthquake Zone  
25 Investigative Task Force shall:

26 (1) be published no later than 120 days after receipt

1 of the request from the Department;

2 (2) be reflective of a 50% plus one vote of the Task  
3 Force and signed by a majority of the members of the Task  
4 Force, or their designee;

5 (3) clearly state the reasons for the decision and any  
6 dissenting votes and their reasons;

7 (4) be archived as a public document, along with all  
8 public comments and testimony at public hearings in a  
9 searchable database that is accessible to the public on the  
10 website of the Illinois Emergency Management Agency;

11 (5) be posted within 48 hours on the websites of the  
12 Department and the Illinois Emergency Management Agency;

13 (6) upon request by the Department, initiate a public  
14 process;

15 (7) allow an appeal process with the Task Force by any  
16 person described in subsection (b), either in writing or  
17 electronically, within 30 days after the Task Force  
18 publishes its approval or denial; and

19 (8) be decided only if a quorum of Task Force members  
20 are in attendance at the meeting where the vote is taken,  
21 either in person, by phone, or electronic conferencing.

22 The Task Force shall address all significant issues brought  
23 up in the appeal process in writing, individually, and publicly  
24 on its website within 30 days after the close of the appeal  
25 comment period. The Task Force may revoke its approval or  
26 denial of the permits, modifications, or disposal plans based

1 on evidence brought forth during the appeal process if done  
2 within 60 days of the initial approval or denial, with a 50%  
3 plus one vote of the members of the Task Force. The Task Force  
4 shall publish its decision to revoke an approval or denial and  
5 the reasons for its decision along with any dissenting votes  
6 and its reasons within 60 days after the initial approval or  
7 denial.

8 (d) The Department shall work with the Illinois State  
9 Geological Survey to perform probability mapping of all active  
10 seismic zones in this State listed in subsection (a). Using  
11 existing data and resources at the Illinois State Geological  
12 Survey and the United States Geological Survey, along with data  
13 on faults in brittle rock, the Illinois State Geological Survey  
14 shall outline, for each county, the areas of the active faults  
15 listed in subsection (a) that carry a high, medium, and low  
16 probability of induced seismicity from high volume horizontal  
17 fracturing wells and operations, horizontal drilled wells with  
18 fracturing operations, Class II injection disposal wells, and  
19 waste disposal of oil drilling waste, liquid natural gas waste,  
20 or natural gas drilling waste from high volume horizontal  
21 fracturing wells and operations, and horizontal drilled wells  
22 with fracturing operations. This map shall be finalized no  
23 later than January 1, 2017 and shall be publicly available on  
24 the websites of the Department, the Illinois Emergency  
25 Management Agency, and the Illinois State Geological Survey  
26 within one week of its completion.

1       (e) The Illinois Active Earthquake Zone Investigative Task  
2 Force is hereby created. The Task Force shall have the  
3 following members:

4           (1) the Director, or his or her representative, from  
5 each of the following State agencies: the Illinois  
6 Emergency Management Agency, the Department of Natural  
7 Resources, the Department of Public Health, the Illinois  
8 State Water Survey, the Illinois Pollution Control Board,  
9 the Illinois Environmental Protection Agency, the Illinois  
10 State Geological Survey, and the Department of Insurance;

11           (2) one independent expert in risk assessment in  
12 earthquake zones and its impact on insurance rates and  
13 ratings appointed by the Director of Insurance;

14           (3) one university-based independent seismologist with  
15 expertise in induced seismicity appointed by the Director  
16 of the Illinois State Geological Survey; and

17           (4) one member appointed by the Attorney General with  
18 expertise in property and insurance law.

19       (f) The chairperson of the Illinois Active Earthquake Zone  
20 Investigative Task Force shall be the Director of the Illinois  
21 Emergency Management Agency or his or her representative. The  
22 members shall be appointed no later than 30 days after the  
23 effective date of this amendatory Act of the 99th General  
24 Assembly.

25       The Illinois Active Earthquake Zone Investigative Task  
26 Force shall:

1           (1) Meet as often as necessary, but at least once a  
2           month, either in person or via conference call or  
3           electronic conferencing capabilities, beginning no later  
4           than 60 days after the effective date of this amendatory  
5           Act of the 99th General Assembly. All meetings shall:

6           (A) be conducted as public meetings with adequate  
7           public notice, and allow for the public to submit  
8           comments and documents at the meetings and  
9           electronically;

10           (B) be archived on the website of the Illinois  
11           Emergency Management Agency in a searchable manner for  
12           the public; and

13           (C) convene in the areas of Illinois with the  
14           active seismic zones listed in subsection (a) at least  
15           3 times a year.

16           (2) Serve without pay, if the member is employed by the  
17           State, or, if the member is not employed by the State, paid  
18           a per diem set by the Illinois Emergency Management Agency,  
19           for time spent working on the Task Force.

20           (3) Investigate any and all adverse effects or risks  
21           from significant naturally-occurring earthquakes and  
22           induced seismicity by high volume horizontal fracturing  
23           wells and operations, horizontal drilling with fracturing  
24           operations, and the disposal of oil, liquid natural gas,  
25           and natural gas waste in Class II injection wells, on oil  
26           and natural gas wells, operations, and infrastructure, in

1 the active seismic zones listed in subsection (a).

2 (4) Investigate the risks and probabilities of induced  
3 seismicity from Class II injection well disposal of oil and  
4 natural gas waste if the wells are located within any and  
5 all counties that wholly or partially contain any part of  
6 the active seismic zones listed in subsection (a).

7 (5) Examine the probability of induced seismicity in  
8 Illinois active seismic zones and any and all adverse  
9 effects or risks of induced seismicity on:

10 (A) water resources, water wells, aquifers, dams,  
11 canals, any possible contamination, and the  
12 environment, including possible soil and air  
13 contamination;

14 (B) public health effects, including mental health  
15 adverse effects of repeated induced seismic events;

16 (C) property, including livestock and domesticated  
17 animals, wells, residences, structures, and farming  
18 buildings;

19 (D) tourism and recreational activities in the  
20 active seismic zones of this State;

21 (E) risk management issues, including emergency  
22 management plans;

23 (F) risk management issues, including liability,  
24 bonding, and insurance requirements for operators,  
25 well owners, land owners, mineral rights owners,  
26 lessors, and subcontractors and the effects on



1           insurance rates and ratings, mortgages, small  
2           businesses and their insurance and mortgage rates and  
3           availability;

4           (G) the mechanical integrity of oil, liquid  
5           natural gas, and natural gas wells, Class II injection  
6           wells, the oil, liquid natural gas, and natural gas  
7           industry infrastructure, including pipelines, and any  
8           possible contamination from a breach of mechanical  
9           integrity of these structures;

10           (H) effects of potential spillage, leakage, fires,  
11           or blowouts of the oil, liquid natural gas, and natural  
12           gas wells, fracturing waste and waste water  
13           containment structures, including open pits, oil,  
14           liquid natural gas, and natural gas processing  
15           infrastructure, and transportation infrastructure,  
16           including pipelines, secondary to possible induced  
17           seismicity, and significant naturally occurring  
18           seismic events;

19           (I) effects of potential spillage, leakage, fires,  
20           or blowouts of chemicals, proppants, and byproducts,  
21           and their containment, processing, and transportation  
22           infrastructure, secondary to possible induced  
23           seismicity, and significant naturally occurring  
24           seismic events;

25           (J) the safety of any nuclear power plants, uranium  
26           processing plants, or low-level radioactive waste

1           storage sites in this State and the surrounding states  
2           that may be impacted by induced seismicity triggered  
3           within the active seismic zones in this State;

4           (K) the risks of inducing a significant earthquake  
5           greater than magnitude 6, either immediately or in the  
6           future, on all of the issues delineated in this  
7           Section, and the risk management issues involved with  
8           protracted or larger magnitude induced seismic events;  
9           and

10           (L) whether the Green Light, Yellow Light, Red  
11           Light system of mitigation of induced seismicity,  
12           proposed by the Illinois State Geological Survey and  
13           the Department, is appropriate or sufficient for  
14           mitigation of all adverse effects of induced  
15           seismicity in the active seismic zones in this State.

16           (g) The Illinois Active Earthquake Zone Investigative Task  
17           Force shall investigate the issues under subsection (f), allow  
18           their investigations to inform their approval or denial of any  
19           permits, modifications, or disposal plans, and write and submit  
20           a report to the General Assembly, the Governor, the Hydraulic  
21           Fracturing Task Force, the Illinois Emergency Management  
22           Agency, the Department of Natural Resources, the Department of  
23           Public Health, the Illinois State Water Survey, the Illinois  
24           Pollution Control Board, the Illinois Environmental Protection  
25           Agency, the Illinois State Geological Survey, the Department of  
26           Insurance, the Illinois Attorney General, and to the public via

1 the website of the Illinois Emergency Management Agency and the  
2 website of the Department of Natural Resources. The report  
3 shall be as complete as possible when discussing the risks and  
4 the possible mitigation of the risks from induced seismicity  
5 and shall include recommendations and conclusions about  
6 induced seismic events in the active seismic zones listed in  
7 subsection (a), including:

8 (1) the risks of drilling and extracting oil, liquid  
9 natural gas, and natural gas in active seismic zones;

10 (2) the risks of drilling and operating Class II  
11 injection wells in active seismic zones;

12 (3) the storage, disposal, and use of fracturing waste  
13 or wastewater open pits in active seismic zones;

14 (4) earthquake induced contamination of air, water,  
15 and soil from oil and natural gas extraction operations and  
16 waste disposal, the clean up and public health effects of  
17 the contamination;

18 (5) emergency management recommendations during  
19 earthquakes involving areas of oil and natural gas  
20 operations and infrastructure;

21 (6) earthquake-induced spillage and leakage from oil  
22 and natural gas wells and infrastructure and Class II  
23 injection disposal wells;

24 (7) oil and natural gas infrastructure instability  
25 during earthquakes;

26 (8) bonding requirements for oil and natural gas

1 drilling and operations and infrastructure in active  
2 seismic zones;

3 (9) insurance requirements for oil and natural gas  
4 drilling and operations and infrastructure in active  
5 seismic zones;

6 (10) best practices for the oil and natural gas  
7 industry in active seismic zones; and

8 (11) any and all emergency management, transportation,  
9 and communication recommendations related to the oil and  
10 natural gas industry and its operations before, during, and  
11 after a large naturally-occurring or induced earthquake.

12 (h) The report shall include recommendations to the General  
13 Assembly and Governor for legislation to protect the public  
14 health, environment, property, livelihoods, and communities  
15 from all reported adverse effects of induced seismicity in the  
16 Illinois active seismic zones, including recommendations to  
17 the General Assembly about legislation to limit damages, harms,  
18 risks, contamination, and legal challenges over liability  
19 secondary to induced seismic events in the active seismic zones  
20 and how to mitigate the risks from blowouts, spillage, leakage,  
21 and damages to the mechanical integrity of oil, liquid natural  
22 gas, and natural gas wells, drilling, Class II injection wells,  
23 waste and waste water containment, pipelines, infrastructure,  
24 chemicals, proppants, and byproducts from a significant  
25 naturally-occurring or induced earthquake. This report shall  
26 also include any and all emergency management, transportation,

1 and communication recommendations related to the oil and  
2 natural gas industry and its operations before, during, and  
3 after induced seismicity and significant naturally-occurring  
4 seismic events.

5 (i) The Illinois Active Earthquake Zone Investigative Task  
6 Force shall submit its report on or before January 1, 2018.

7 Section 99. Effective date. This Act takes effect upon  
8 becoming law.".