The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by McHenry Lee.

DIGEST

Ward (SB 139)

<u>Present law</u> provides for penalties for any person who violates a rule, regulation, or order of the commissioner of conservation.

<u>Proposed law</u> retains <u>present law</u> and provides that any person found to be in violation of any requirement, rule, regulation, or order related to the drilling or use of underground caverns issued by the commissioner may be liable for a civil penalty, to be assessed by the commissioner or the court, of not more than the cost to the state of any response action made necessary by the violation and a penalty of not more than \$32,500 per day of the violation. Further provides that if the violation is done intentionally, willfully, or knowingly, and results in either a discharge or disposal which causes severe damage to the environment, or a discharge or disposal which endangers human life or death, the person may be liable for an additional penalty of not more than \$1 million.

<u>Proposed law</u> provides that any person found to be in violation of any rule, regulation, or order related to the drilling or use of underground caverns may be subject to revocation or suspension of any permit, license, or variance which has been issued.

<u>Proposed law</u> provides that any person who has been issued a compliance order or a cease and desist order and who fails to take corrective action within the time specified will be liable for a civil penalty to be assessed by the commissioner or the court of no more than \$50,000 per day of the violation.

<u>Proposed law</u> provides criteria for assessing the amount of the penalty.

<u>Proposed law</u> requires the commissioner to provide an opportunity for relevant and material public comment relative to any penalty which may be imposed at a penalty determination hearing.

<u>Proposed law</u> provides that if the penalty assessed by the commissioner is upheld in full or part, the commissioner will be entitled to legal interest. Further provides that if the penalty is vacated or reduced as a result of an appeal of the assessment, the court will award to the respondent legal interest.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 30:148.9(B); Adds R.S. 30:18(A)(6))

Summary of Amendments Adopted by Senate

<u>Committee Amendments Proposed by Senate Committee on Natural Resources to the</u> <u>original bill</u>

- 1. Changes criteria for the \$1 million penalty.
- 2. Requires that permit revocation be related to a certain cavern.

Senate Floor Amendments to engrossed bill

1. Technical.

Summary of Amendments Adopted by House

Committee Amendments Proposed by <u>House Committee on Natural Resources and</u> <u>Environment</u> to the <u>reengrossed</u> bill.

- 1. Remove "gross revenues generated by the respondent" as a criteria for assessing the amount of the civil penalty.
- 2. Made technical changes.