WEST VIRGINIA LEGISLATURE

2024 REGULAR SESSION

ENROLLED

2024 FEB 29 P 4: 58

OFFICE OF VEST VIRGINIA
SECRETARY OF STATE

Committee Substitute

for

House Bill 5045

By Delegates Anderson, Zatezalo, Heckert and Horst [Passed February 13, 2024; in effect ninety days from passage.]

WEST VIRGINIA LEGISLATURE

2024 REGULAR SESSION

ENROLLED

DOM FEB 29 P I 58 OFFICE OF WEST VIRGINIA, SECRETARY OF STATE

Committee Substitute

for

House Bill 5045

By Delegates Anderson, Zatezalo, Heckert and Horst
[Passed February 13, 2024; in effect ninety days from passage.]

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

AN ACT to amend and reenact §22-11-4, §22-11-22, §22-11-22a, §22-11-24, and §22-11-25 of the Code of West Virginia, 1931, as amended; and to amend and reenact §22-11B-3 and §22-11B-12 of said code, all related to the administration of the West Virginia Water Pollution Control Act and Underground Carbon Dioxide Sequestration and Storage to provide assurances to the United States Environmental Protection Agency regarding the State of West Virginia's application for primary enforcement authority over underground carbon dioxide sequestration programs; to insert cross references between the Underground Carbon Sequestration and Storage statutes and the West Virginia Water Pollution Control Act to protect water resources; providing that before a Certificate of Completion can be issued all the requirements of a class 6 injection well permit must be met, including post injection site care and closure requirements; altering the minimum 10year period between the end of injections and the issuance of the certificate to be either 50 years or another time period on a site-specific basis as determined by DEP rules; providing exceptions and limitations to what liability is transferred to the state and what remains with the permittee; providing that a permittee will be responsible for certain contractual obligations and criminal liability; providing that a release of liability does not apply to owners or operators of a facility when liability arises from noncompliance with applicable laws, regulations, or permits prior to issuance of the Certificate of Completion; providing for liability when it is determined that fluid migration has occurred that causes or threatens underground sources of drinking water; providing that the secretary will implement the article in a manner consistent with the requirements of the federal Safe Drinking Water Act; providing for the exercise of the state's authority to restrain people from endangering or damaging public health or the environment.

Be it enacted by the Legislature of West Virginia:

ARTICLE 11. WATER POLLUTION CONTROL ACT.

§22-11-4. General powers and duties of director with respect to pollution.

- (a) In addition to all other powers and duties the director has and may exercise, subject to specific grants of authority to the chief or the board in this article or elsewhere in this code, the director has the following powers and authority and shall perform the following duties:
- (1) To perform any and all acts necessary to carry out the purposes and requirements of this article and of the "Federal Water Pollution Control Act," 33 U.S.C. §1251 *et seq.*, as amended, relating to this state's participation in the "National Pollutant Discharge Elimination System," 33 U.S.C. §1342, established under that act;
- (2) To encourage voluntary cooperation by all persons in the conservation, improvement, and development of water resources and in controlling and reducing the pollution of the waters of this state, and to advise, consult, and cooperate with all persons, all agencies of this state, the federal government, or other states, and with interstate agencies in the furtherance of the purposes of this article, and to this end and for the purpose of studies, scientific or other investigations, research, experiments, and demonstrations pertaining thereto, the division may receive moneys from such agencies, officers, and persons on behalf of the state. The division shall pay all moneys so received into a special fund hereby created in the state Treasury, which fund shall be expended under the direction of the director solely for the purpose or purposes for which the grant, gift, or contribution was made;
- (3) To encourage the formulation and execution of plans by cooperative groups or associations of municipal corporations, industries, industrial users, and other users of waters of the state, who, jointly or severally, are or may be the source of pollution of such waters, for the control and reduction of pollution;
- (4) To encourage, participate in, or conduct, or cause to be conducted studies, scientific or other investigations, research, experiments, and demonstrations relating to the water resources of the state and water pollution and its causes, control and reduction, and to collect data with respect thereto, all as may be deemed advisable and necessary to carry out the purposes of this article;

- (5) To study and investigate all problems concerning water flow, water pollution, and the control and reduction of pollution of the waters of the state, and to make reports and recommendations with respect thereto;
- (6) To collect and disseminate information relating to water pollution and the control and reduction thereof:
- (7) To develop a public education and promotion program to aid and assist in publicizing the need for, and securing support for, pollution control and abatement;
- (8) To sample ground and surface water with sufficient frequency to ascertain the standards of purity or quality from time to time of the waters of the state;
- (9) To develop programs for the control and reduction of the pollution of the waters of the state;
- (10) To exercise general supervision over the administration and enforcement of the provisions of this article, and all rules, permits and orders issued pursuant to the provisions of this article, §22-11-1 et seq., §22-11B-1 et seq., of this code and §22B-1-1 et seq. of this code:
- (11) In cooperation with the college of engineering at West Virginia University and the schools and departments of engineering at other institutions of higher education operated by this state, to conduct studies, scientific or other investigations, research, experiments, and demonstrations in an effort to discover economical and practical methods for the elimination, disposal, control, and treatment of sewage, industrial wastes, and other wastes, and the control and reduction of water pollution, and to this end, the director may cooperate with any public or private agency and receive therefrom, on behalf of the state, and for deposit in the state Treasury, any moneys which such agency may contribute as its part of the expenses thereof, and all gifts, donations or contributions received as aforesaid shall be expended by the director according to the requirements or directions of the donor or contributor without the necessity of an appropriation therefor, except that an accounting thereof shall be made in the fiscal reports of the division:

Enr CS for HB 5045

0

- (12) To require the prior submission of plans, specifications, and other data relative to, and to inspect the construction and operation of, any activity or activities in connection with the issuance and revocation of such permits as are required by this article, §22-11A-1 *et seq.* and §22-11B-1 *et seq.*, of this code or the rules promulgated thereunder;
- (13) To require any and all persons directly or indirectly discharging, depositing, or disposing of treated or untreated sewage, industrial wastes or other wastes, or the effluent therefrom, into or near any waters of the state or into any underground strata, and any and all persons operating an establishment which produces or which may produce or from which escapes, releases or emanates or may escape, release or emanate treated or untreated sewage, industrial wastes or other wastes, or the effluent therefrom, into or near any waters of the state or into any underground strata, to file with the division such information as the director may require in a form or manner prescribed for such purpose, including, but not limited to, data as to the kind, characteristics, amount, and rate of flow of any such discharge, deposit, escape, release, or disposition;
- (14) To adopt, modify, or repeal procedural rules and interpretive rules in accordance with the provisions of Chapter 29A of this code administering and implementing the powers, duties and responsibilities vested in the director by the provisions of this article, and §22-11A-1 et seq. and §22-11B-1 et seq. of this code;
- (15) To cooperate with interstate agencies for the purpose of formulating, for submission to the Legislature, interstate compacts and agreements relating to:
 - (A) The control and reduction of water pollution; and
 - (B) the state's share of waters in watercourses bordering the state;
- (16) To adopt, modify, repeal, and enforce rules, in accordance with the provisions of chapter twenty-nine-a of this code:

Enr CS for HB 5045

77	(A) Implementing and making effective the declaration of policy contained in section one
78	of this article and the powers, duties and responsibilities vested in the director and the chief by
79	the provisions of this article and otherwise by law;
80	(B) preventing, controlling and abating pollution; and
81	(C) facilitating the state's participation in the "National Pollutant Discharge Elimination
82	System" pursuant to the "Federal Water Pollution Control Act," as amended: Provided, That no
83	rule adopted by the director shall specify the design of equipment, type of construction or
84	particular method which a person shall use to reduce the discharge of a pollutant; and
85	(17) To advise all users of water resources as to the availability of water resources and
86	the most practicable method of water diversion, use, development, and conservation.
87	(b) Whenever required to carry out the objectives of this article, §22-11A-1 et seq. or §22-
88	11B-1 et seq. of this code, the director shall require the owner or operator of any point source or
89	establishment to:
90	(i) Establish and maintain such records;
91	(ii) make such reports;
92	(iii) install, use, and maintain such monitoring equipment or methods;
93	(iv) sample such effluents in accordance with such methods, at such locations, at such
94	intervals, and in such manner as the director shall prescribe; and
95	(v) provide such other information as the director may reasonably require.
96	(c) The director upon presentation of credentials:
97	(i) Has a right of entry to, upon, or through any premises in which an effluent source is
98	located or in which any records required to be maintained under subsection (b) of this section are
99	located; and
100	(ii) may at reasonable times have access to and copy any records, inspect any monitoring
101	equipment or method required under subsection (b) of this section, and sample any streams in
102	the area as well as sample any effluents which the owner or operator of such source is required

to sample under subsection (b) of this section. Nothing in this subsection eliminates any obligation to follow any process that may be required by law.

- (d) The director may investigate and ascertain the need and factual basis for the establishment of public service districts as a means of controlling and reducing pollution from unincorporated communities and areas of the state, investigate and ascertain, with the assistance of the Public Service Commission, the financial feasibility and projected financial capability of the future operation of any such public service district or districts, and to present reports and recommendations thereon to the county commissions of the areas concerned, together with a request that such county commissions create a public service district or districts, as therein shown to be needed and required and as provided in §16-13A-1 et seq. of this code. In the event a county commission fails to act to establish a county-wide public service district or districts, the director shall act jointly with the Commissioner of the Bureau of Public Health to further investigate and ascertain the financial feasibility and projected financial capability and, subject to the approval of the Public Service Commission, order the county commission to take action to establish such public service district or districts as may be necessary to control, reduce, or abate the pollution, and when so ordered, the county commission members must act to establish such a county-wide public service district or districts.
- (e) The director may enter at all reasonable times upon any private or public property for the purpose of making surveys, examinations, investigations, and studies needed in the gathering of facts concerning the water resources of the state and their use, subject to responsibility for any damage to the property entered. Upon entering, and before making any survey, examination, investigation, and study, such person shall immediately present himself or herself to the occupant of the property. Upon entering property used in any manufacturing, mining, or other commercial enterprise, or by any municipality or governmental agency or subdivision, and before making any survey, examination, investigation, and study, such person shall immediately present himself or herself to the person in charge of the operation, and if he or she is not available, to a managerial

employee. All persons shall cooperate fully with the person entering such property for such purposes. Upon refusal of the person owning or controlling such property to permit such entrance or the making of such surveys, examinations, investigations, and studies, the director may apply to the circuit court of the county in which such property is located, or to the judge thereof in vacation, for an order permitting such entrance or the making of such surveys, examinations, investigations, and studies; and jurisdiction is hereby conferred upon such court to enter such order upon a showing that the relief asked is necessary for the proper enforcement of this article: *Provided*, That nothing in this subsection eliminates any obligation to follow any process that may be required by law.

§22-11-22. Civil penalties and injunctive relief; administrative penalties.

(a) Any person who violates any provision of any permit issued under or subject to the provisions of this article, or §22-11A-1 et seq., or §22-11B-1 et seq. of this code is subject to a civil penalty not to exceed \$25,000 a day of such violation and any person who violates any provision of this article, §22-11A-1 et seq., or §22-11B-1 et seq. of this code or of any rule or who violates any standard or order promulgated or made and entered under the provisions of this article, §22-11A-1 et seq., §22-11B-1 et seq. of this code or §22B-1-1 et seq. of this code is subject to a civil penalty not to exceed \$25,000 a day of such violation. Any such civil penalty may be imposed and collected only by a civil action instituted by the director in the circuit court of the county in which the violation occurred or is occurring or of the county in which the waters thereof are polluted as the result of such violation.

Upon application by the director, the circuit courts of the state or the judges thereof in vacation may by injunction compel compliance with and enjoin violations of the provisions of this article, §22-11A-1 et seq., and §22-11B-1 et seq. of this code, the rules of the board or director, effluent limitations, the terms and conditions of any permit granted under the provisions of this article, or §22-11A-1 et seq., and §22-11B-1 et seq. of this code or any order of the director or board, and the venue of any such actions shall be the county in which the violations or

Enr CS for HB 5045

noncompliance exists or is taking place or in any county in which the waters thereof are polluted as the result of such violation or noncompliance. The court or the judge thereof in vacation may issue a temporary or preliminary injunction in any case pending a decision on the merits of any injunction application filed. Any other section of this code to the contrary notwithstanding, the state is not required to furnish bond as a prerequisite to obtaining injunctive relief under this article, or §22-11A-1 et seq., and §22-11B-1 et seq. of this code. An application for an injunction under the provisions of this section may be filed and injunctive relief granted notwithstanding that all of the administrative remedies provided for in this article have not been pursued or invoked against the person or persons against whom such relief is sought and notwithstanding that the person or persons against whom such relief is sought have not been prosecuted or convicted under the provisions of this article.

The judgment of the circuit court upon any application filed or in any civil action instituted under the provisions of this section is final unless reversed, vacated, or modified on appeal to the Supreme Court of Appeals. Any such appeal shall be sought in the manner provided by law for appeals from circuit courts in other civil cases, except that the petition seeking review in any injunctive proceeding must be filed with said Supreme Court of Appeals within 90 days from the date of entry of the judgment of the circuit court.

Legal counsel and services for the chief, director, or the board in all civil penalty and injunction proceedings in the circuit court and in the Supreme Court of Appeals of this state shall be provided by the Attorney General or his or her assistants and by the prosecuting attorneys of the several counties as well, all without additional compensation, or the chief, director, or the board, with the written approval of the Attorney General, may employ counsel to represent him or her or it in a particular proceeding.

(b) In addition to the powers and authority granted to the director by this chapter to enter into consent agreements, settlements and otherwise enforce this chapter, the director shall propose, for legislative promulgation, rules in accordance with §29A-3-1 et seq. of this code to

establish a mechanism for the administrative resolution of violations set forth in this section through consent order or agreement as an alternative to instituting a civil action.

§22-11-22a. Civil penalties and injunctive relief; civil administrative penalties for coal mining operations.

- (a) Any person who holds a permit to operate a coal mining operation issued under article three of this chapter who violates any provision of any permit issued under or subject to the provisions of this article, or §22-11A-1 et seq. and §22-11B-1 et seq. of this code is subject to a civil penalty not to exceed \$25,000 a day of the violation and any person who violates any provision of this article or of any rule or who violates any standard or order promulgated or made and entered under the provisions of this article, §22-11A-1 et seq. of this code or §22-11B-1 et seq. of this code is subject to a civil penalty not to exceed \$25,000 a day of the violation: Provided, That any penalty imposed pursuant to the Surface Coal Mining and Reclamation Act [§22-3-1 et seq.] shall be credited against any enforcement action under this article for violations of standards protecting state waters.
- (1) Any such civil penalty may be imposed and collected only by a civil action instituted by the secretary in the circuit court of the county in which the violation occurred or is occurring or of the county in which the waters thereof are polluted as the result of such violation.
- (2) In determining the amount of a civil penalty, the circuit court shall consider the seriousness of the violation or violations, the economic benefit, if any, resulting from the violation, any history of the violations, any good-faith efforts to comply with the applicable requirements, cooperation by the permittee with the secretary, the economic impact of the penalty on the violator, and other matters as justice may require.
- (3) Upon application by the secretary, the circuit courts of the state or the judges thereof in vacation may by injunction compel compliance with and enjoin violations of the provisions of this article, §22-11A-1 et seq., and §22-11B-1 et seq. of this code, the rules of the board or secretary, effluent limitations, the terms and conditions of any permit granted under the provisions

of this article, §22-11A-1 *et seq.*, and §22-11B-1 *et seq.* of this code or any order of the secretary or board, and the venue of any such actions shall be the county in which the violations or noncompliance exists or is taking place or in any county in which the waters thereof are polluted as the result of the violation or noncompliance. The court or the judge thereof in vacation may issue a temporary or preliminary injunction in any case pending a decision on the merits of any injunction application filed. Any other section of this code to the contrary notwithstanding, the state is not required to furnish bond as a prerequisite to obtaining injunctive relief under this article, or §22-11A-1 *et seq.*, and §22-11B-1 *et seq.* of this code. An application for an injunction under the provisions of this section may be filed and injunctive relief granted notwithstanding that all of the administrative remedies provided in this article have not been pursued or invoked against the person or persons against whom such relief is sought and notwithstanding that the person or persons against whom such relief is sought have not been prosecuted or convicted under the provisions of this article.

- (4) The judgment of the circuit court upon any application filed or in any civil action instituted under the provisions of this section is final unless reversed, vacated, or modified on appeal to the Supreme Court of Appeals. Any such appeal shall be sought in the manner provided by law for appeals from circuit courts in other civil cases, except that the petition seeking review in any injunctive proceeding must be filed with said Supreme Court of Appeals within 90 days from the date of entry of the judgment of the circuit court.
- (5) Legal counsel and services for the director, secretary, or the board in all civil penalty and injunction proceedings in the circuit court and in the Supreme Court of Appeals of this state shall be provided by legal counsel employed by the department, the Attorney General or his or her assistants and by the prosecuting attorneys of the several counties as well, all without additional compensation, or the director, secretary, or the board may employ counsel to represent him or her or it in a particular proceeding.

- (b) The secretary may assess a civil administrative penalty whenever he or she finds that a person who holds a permit to operate a coal mining operation issued under article three of this chapter has violated any provision of this article, or §22-11A-1 et seq., or §22-11B-1 et seq. of this code, any permit issued under or subject to the provisions of this article, or §22-11A-1 et seq., or §22-11B-1 et seq. of this code or any rule or order issued pursuant to this article, or §22-11A-1 et seq., or §22-11B-1 et seq. of this code. A civil administrative penalty may be assessed unilaterally by the director in accordance with this subsection.
- (1) Any civil administrative penalty assessed pursuant to this section shall not exceed \$10,000 per violation and the maximum amount of any civil administrative penalty assessed pursuant to this section may not exceed \$125,000: *Provided*, That any stipulated penalties accrued after the date of the draft order may not be included for purposes of determining the total amount of the civil administrative penalty. For purposes of this section, a single operational upset which leads to simultaneous violations of more than one pollutant parameter, shall be treated as a single violation.
- (2) In determining the amount of any civil administrative penalty assessed under this subsection, the secretary shall take into account the nature, circumstances, extent, and gravity of the violation or violations, and, with respect to the violator, ability to pay, any prior history of such violations, the degree of good faith, economic benefit or savings, if any, resulting from the violation, cooperation of the alleged violator, and such other matters as justice may require.
- (3) No assessment may be levied pursuant to this subsection until after the alleged violator has been notified by certified mail or personal service pursuant to the West Virginia rules of civil procedure. The notice shall include a proposed order which refers to the provision of the statute, rule, order, or permit alleged to have been violated, a concise statement of the facts alleged to constitute the violation, a statement of the amount of the administrative penalty to be imposed, and a statement of the alleged violator's right to an informal hearing prior to the issuance of the proposed order.

- 74 (A) The alleged violator has 30 calendar days from receipt of the notice within which to deliver to the secretary a written request for an informal hearing.
 - (B) If no hearing is requested, the proposed order becomes a draft order after the expiration of the 30-day period.
 - (C) If an informal hearing is requested, the director shall inform the alleged violator of the time and place of the hearing. The secretary may appoint an assessment officer to conduct the informal hearing and make a written recommendation to the secretary concerning the proposed order and the assessment of a civil administrative penalty.
 - (D) Within 30 days following the informal hearing, the secretary shall render and furnish to the alleged violator a written decision, and the reasons therefor, concerning the assessment of a civil administrative penalty. The proposed order shall be revised, if necessary, and shall become a draft order.
 - (4) The secretary shall provide the opportunity for the public to comment on any draft order by publishing a Class II legal advertisement in the newspaper with the largest circulation in the county in which the violation occurred, and by other such means as the secretary deems appropriate, which shall provide notice of the draft order, including the civil administrative penalty assessment. The secretary shall consider any comments received in determining whether to revise the draft order before issuance of a final order. During the 30-day public comment period, any person may request a public hearing regarding the draft order and the secretary may grant or deny the request at his or her discretion. If a request for a public hearing is denied, the secretary shall provide notice to the person requesting a hearing and reasons for such denial.
 - (5) Within 30 days of the close of the public comment period on a draft order, the secretary shall issue a final order or make a determination not to issue a final order, and shall provide written notice by certified mail or personal service pursuant to the West Virginia rules of civil procedure to the alleged violator and shall provide notice by certified mail or personal service pursuant to

the West Virginia rules of civil procedure to those persons who submitted written comments on the draft order during the public comment period.

- (6) The issuance of a final order assessing a civil administrative penalty pursuant to subsection (b) of this section may be appealed to the environmental quality board pursuant to §22-11-21 of this code. Any person who submitted written comments on a draft order during the public comment period shall have the right to file such an appeal or intervene in any appeal filed by the alleged violator.
- (7) The authority to levy a civil administrative penalty is in addition to all other enforcement provisions of this article and the payment of any assessment does not affect the availability of any other enforcement provision in connection with the violation for which the assessment is levied: *Provided*, That no combination of assessments against a violator under this section shall exceed \$25,000 for each violation: *Provided*, *however*, That any violation for which the violator has paid a civil administrative penalty assessed under this section may not be the subject of a separate civil penalty action. No assessment levied pursuant to this section becomes due and payable until at least 30 days after receipt of the final order or the procedures for review of the assessment, including any appeals, have been completed, whichever is later.
- (c) In addition to the authorities set forth in this section, the secretary may also enter into agreements, settlements, and other consent orders resolving alleged violations of this chapter.
- (d) The secretary shall propose, for legislative review, rules, including emergency rules, in accordance with the provisions of §29A-3-1 *et seq.* of this code to establish procedures for assessing civil administrative penalties in accordance with this section by no later than July 1, 2015.

§22-11-24. Violations; criminal penalties.

(a) Any person who causes pollution or who fails or refuses to discharge any duty imposed upon him or her by this article, by §22-11A-1 et seq., or §22-11B-1 et seq. of this code or by any rule of the board or director, promulgated pursuant to the provisions and intent of this article, or

- §22-11A-1 *et seq.*, or §22-11B-1 *et seq.* of this code, or by an order of the director or board, or who fails or refuses to apply for and obtain a permit as required by the provisions of this article, or §22-11A-1 *et seq.*, or §22-11B-1 *et seq.* of this code, or who fails or refuses to comply with any term or condition of such permit, is guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not less than \$100 nor more than \$1,000, or confined in jail for a period not exceeding six months, or by both fine and confinement.
 - (b) Any person who intentionally misrepresents any material fact in an application, record, report, plan, or other document filed or required to be maintained under the provisions of this article, §22-11A-1 et seq., or §22-11B-1 et seq. of this code or any rules promulgated by the director thereunder is guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not less than \$1,000 nor more than \$10,000 or confined in jail not exceeding six months, or by both fine and confinement,
 - (c) Any person who willfully or negligently violates any provision of any permit issued under or subject to the provisions of this article, or §22-11A-1 et seq., or §22-11B-1 et seq. of this code or who willfully or negligently violates any provision of this article, or §22-11A-1 et seq., or §22-11B-1 et seq. of this code, any rule of the board or director, any effluent limitation, or any order of the director or board is guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not less than \$2,500 nor more than \$25,000 per day of violation or by confinement in jail not exceeding one year or by both fine and confinement.
 - (d) Any person convicted of a second or subsequent willful violation of subsections (b) or (c) of this section or knowingly and willfully violates any provision of any permit, rule, or order issued under or subject to the provisions of this article, or §22-11A-1 et seq., or §22-11B-1 et seq. of this code, or knowingly and willfully violates any provision of this article, or §22-11A-1 et seq., or §22-11B-1 et seq. of this code, is guilty of a felony and, upon conviction, shall be imprisoned in a state correctional facility not less than one nor more than three years, or fined not more than \$50,000 for each day of violation, or both fined and imprisoned.

Enr CS for HB 5045

- (e) Any person may be prosecuted and convicted under the provisions of this section notwithstanding that none of the administrative remedies provided in this article have been pursued or invoked against said person and notwithstanding that civil action for the imposition and collection of a civil penalty or an application for an injunction under the provisions of this article has not been filed against such person.
- (f) Where a person holding a permit is carrying out a program of pollution abatement or remedial action in compliance with the conditions and terms of the permit, the person is not subject to criminal prosecution for pollution recognized and authorized by the permit.

§22-11-25. Civil liability; Natural Resources Game Fish and Aquatic Life Fund; use of funds.

If any loss of game fish or aquatic life results from a person or persons' failure or refusal to discharge any duty imposed upon such person by this article, section seven, article six of this chapter, or §22-11A-1 et seq., or §22-11B-1 et seq. of this code, either the West Virginia Division of Natural Resources or the Division of Environmental Protection, or both jointly may initiate a civil action on behalf of the State of West Virginia to recover from such person or persons causing such loss a sum equal to the cost of replacing such game fish or aquatic life. Any moneys so collected shall be deposited in a special revenue fund entitled "Natural Resources Game Fish and Aquatic Life Fund" and shall be expended as hereinafter provided. The fund shall be expended to stock waters of this state with game fish and aquatic life. Where feasible, the Director of the Division of Natural Resources shall use any sum collected in accordance with the provisions of this section to stock waters in the area in which the loss resulting in the collection of such sum occurred. Any balance of such sum shall remain in said fund and be expended to stock state-owned and -operated fishing lakes and ponds, wherever located in this state, with game fish and aquatic life.

ARTICLE 11B. UNDERGROUND CARBON DIOXIDE SEQUESTRATION AND STORAGE.

- §22-11B-3. Prohibition of underground carbon dioxide sequestration without a permit; injection of carbon dioxide for the purpose of enhancing the recovery of oil or other minerals not subject to the provisions of this article.
- (a) It is unlawful for any person to commence work on, or to operate, a carbon dioxide sequestration facility or storage site without first securing a Class VI underground injection control permit from the secretary or from the US EPA.
- (b) The injection of carbon dioxide for purposes of enhancing the recovery of oil or other minerals pursuant to a project approved by the secretary shall not be subject to the provisions of this article.
- (c) If an oil, natural gas, or coalbed methane well operator proposes to convert its operations to carbon dioxide sequestration, then the underground carbon dioxide sequestration facility shall be regulated pursuant to this article and §22-11-1 et seq. of this code.
- (d) All applications for permits submitted after the effective date of this article shall be governed by the provisions of this article and the provisions of §22-11-1 *et seq.* of this code. Permits issued and applications submitted prior to the effective date of this article shall be governed by the provisions of §22-11-1 *et seq.* and §22-11A-1 *et seq.* of this code. If the holder of a Class VI underground injection control permit or other carbon dioxide sequestration permit, granted prior to the effective date of this article, seeks a modification of that permit after this article becomes effective, then the permit holder shall have the option to proceed either according to the provisions of this article or the provisions of §22-11A-1 *et seq.* of this code.

§22-11B-12. Certificate of project completion, release, transfer of title and custody, filing.

(a) After carbon dioxide injections into a reservoir end, and the storage operator has fulfilled all requirements of its Class VI underground injection control permit including requirements related to post-injection site care and site closure, and upon application by the storage operator demonstrating compliance with this article, the secretary may issue a Certificate of Underground Carbon Dioxide Storage Project Completion ("completion certificate").

- (b) The completion certificate may only be issued after public notice and hearing. The secretary shall establish notice requirements for this hearing by legislative rule.
 - (c) The completion certificate may not be issued until at least 50 years after carbon dioxide injections end or other time frame established on a site-specific basis in accordance with the legislative rules regarding the timeframe for post-injection site care and site closure.
 - (d) The completion certificate may only be issued if the storage operator:
 - (1) Is in full compliance with all laws and other requirements governing the storage facility, and has fulfilled all requirements of any underground injection control permit associated with the facility including permit requirements related to post-injection site care and site closure, legislative rules regarding post-injection site care and site closure, and other applicable requirements;
 - (2) Demonstrates that it has addressed all pending claims regarding the storage facility's operation; and
- (3) Demonstrates that the storage reservoir is reasonably expected to retain the carbon dioxide stored in it.
 - (e) As of the effective date of a completion certificate:
- (1) Ownership of the stored carbon dioxide transfers, without payment of any compensation, to the owners of the pore space as established in §22-11B-18 of this code;
- (2) Ownership acquired by the pore space owners under subdivision (e)(1) of this section includes all rights and interests in the stored carbon dioxide and any associated leasing rights: *Provided*, That all liability other than contractual obligations and criminal liability associated with the stored carbon dioxide shall become the responsibility of the state and the state shall defend, indemnify, and hold harmless the pore space and surface owners against all claims using only funds from the Carbon Dioxide Storage Facility Trust Fund;
- (3) The storage operator and all persons who transported and/or generated any stored carbon dioxide are released from all liability other than contractual obligations and criminal liability associated with the storage facility;

- (4) Any bonds posted by the storage operator shall be released; and
- (5) Notwithstanding ownership of the stored carbon dioxide in the pore space owners as provided herein, monitoring, and managing the storage facility shall become the state's responsibility to be overseen by the secretary utilizing only money from the Carbon Dioxide Storage Facility Trust Fund until such time as the federal government assumes responsibility for the long-term monitoring and management of storage facilities. The release of liability under this section shall not apply to a current or former owner or operator of a storage facility when such liability arises from that owner or operator's noncompliance with applicable underground injection control laws, regulations, or permits prior to issuance of the certificate of completion of injection operations nor shall it apply when the director determines that there is fluid migration for which the operator is responsible that causes or threatens imminent and substantial endangerment to an underground source of drinking water.
- (f) The secretary shall require that a copy of the completion certificate and a survey of the storage field be filed with the county recorder in the county or counties where the carbon dioxide storage facility is located.
- (g) The secretary shall implement this article in a manner consistent with and as he or she deems necessary to carry out the purposes and requirements of the federal Safe Drinking Water Act, as amended, and its implementing regulations relating to the State's primary enforcement authority for the underground injection control program established under that Act with respect to the storage and sequestration of carbon dioxide, including, but not limited to, the State's authority to immediately and effectively restrain any person from engaging in any unauthorized activity which is endangering or causing damage to public health or the environment. Additionally, in no event may the release of liability under this section interfere with the US EPA's authority under Section 1431 of the federal Safe Drinking Water Act.

Day of

The Clerk of the House of Delegates and the Clerk of the Senate hereby certify that the foregoing bill is correctly enrolled. Clerk of the House of Delegates Clerk of the Senate Originated in the House of Delegates. In effect ninety days from passage. Speaker of the House of Delegates President of the Senate The within is Applitue this the........

PRESENTED TO THE GOVERNOR

FEB 23 2024

7:46am