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Ky. House votes to update oil, gas rules

 **By BRUCE SCHREINER**

FRANKFORT, Ky. (AP) — Legislation proposing to update decades-old environmental protection rules on oil and natural gas drilling won strong bipartisan support in clearing the Kentucky House on Wednesday.

Some Kentucky landowners have raised concerns that their property and health could be put at risk due to the practice of hydraulic fracturing, also called fracking.

In fracking, drillers inject water and chemicals into the ground to break up rocks and extract oil and gas.

The measure passed the Democratic-led House on a 98-0 vote. It now goes to the Republican-run Senate.

House Majority Floor Leader Rocky Adkins said the bill updates oil and gas laws that have been on the books as long as a half century. Adkins, the bill's lead sponsor, said the proposal would create a strong regulatory foundation ahead of more expected growth in oil and gas production in Kentucky.

"This really brings the statutes in compliance with the 21st century of the oil and gas industry," he said.

Adkins, D-Sandy Hook, said the measure balances strong environmental components with industry needs.

"It's also important for the industry to have certainty as they start to invest and know what these regulations are going to be in the future," he said.

Rep. Cluster Howard, D-Jackson, said the measure offers "a good first step" toward updating regulations the drilling industry would be required to follow. The eastern Kentucky lawmaker said he has heard from many of his constituents expressing concern about fracking.

"They understand we've had fracking in the state for many years, but they're concerned about where this may go," he said.

The legislation would require companies to disclose what chemicals they use. However, they would not have to say how much of the chemical they use if they can prove that the information is a trade secret.

The bill would make an exception if a doctor needs to know how much of a certain chemical was used in order to diagnose or treat a patient. In such cases, the bill would allow regulators to tell doctors how much was used, but only if the doctor signs a confidentially agreement to use the information only for health purposes.

The bill also would require companies to pay for water quality testing before and after the fracking process. And they would have to notify all landowners within 1,000 feet of the well.

Kentucky produced more than \$719.8 million worth of oil and gas in 2014, an 8 percent increase from 2013, according to the Kentucky Oil & Gas Association. The state collected \$32 million in taxes from that production, about \$2.4 million more than the previous year. Most of the increase came from Lawrence and Greenup counties, which account for 21 percent of Kentucky's total oil production.

The legislation is House Bill 386.

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