

HB 2623 A STAFF MEASURE SUMMARY

Carrier: Sen. Manning Jr

Senate Committee On Environment and Natural Resources

Action Date: 05/21/19

Action: Do pass with amendments. (Printed A-Eng.)

Vote: 3-1-1-0

Yeas: 3 - Dembrow, Prozanski, Roblan

Nays: 1 - Bentz

Exc: 1 - Olsen

Fiscal: No fiscal impact

Revenue: No revenue impact

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Meeting Dates: 4/23, 5/21

WHAT THE MEASURE DOES:

Imposes a statewide moratorium on hydraulic fracturing used in the exploration for, or production of, oil or gas until 2025. Exempts natural gas storage wells, geothermal activities, and existing coal bed methane extraction wells from the definition of "hydraulic fracturing" subject to the moratorium. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Different types of hydraulic fracturing
- Experience with this technique in other states
- Whether hydraulic fracturing is likely in Oregon
- Potential state royalties from oil/gas extraction

EFFECT OF AMENDMENT:

Changes repeal of statewide moratorium on hydraulic fracturing from January 2, 2030 to January 2, 2025.

BACKGROUND:

Hydraulic fracturing, sometimes called "fracking," involves injecting water, sand, and chemicals under high pressure into a bedrock formation via a well. This process creates new fractures in the rock and increases the size and connectivity of existing fractures. This technique is used to increase the permeability of a rock formation and allows the gas, oil, or hot water inside the rock to flow more effectively into the well for extraction. Although the technology has existed since the 1960s, the use of hydraulic fracturing, in combination with advances in horizontal drilling, has led to a major increase in U.S. oil and natural gas production in recent years. In Oregon, hydraulic fracturing requires a permit and is regulated by the Department of Geology and Mineral Industries, Department of Environmental Quality, and the Water Resources Department.

House Bill 2623A would impose a statewide moratorium on hydraulic fracturing until January 2, 2025.