

HCS HB 968 -- ENVIRONMENTAL AUDITS

SPONSOR: Bivins

COMMITTEE ACTION: Voted "do pass" by the Special Committee on Energy and Environment by a vote of 8 to 4.

This substitute allows companies to conduct voluntary environmental audits in order to discover and correct noncompliance with environmental regulations. If a company complies with the voluntary audit requirements, it will be exempt from certain types of criminal and administrative penalties and may keep its voluntary audit reports confidential. Companies will not be exempt from any tort actions by private parties. In order to comply with the voluntary audit requirements, a company must:

- (1) Discover noncompliance during a voluntary environmental audit;
- (2) Disclose its noncompliance to the Department of Natural Resources within 21 days;
- (3) Make the disclosure prior to any legal actions or regulatory investigations concerning the audit;
- (4) Correct any noncompliance within 60 days or as determined by the department;
- (5) Take steps to prevent future noncompliance with environmental regulations;
- (6) Show that the reported noncompliance was not part of a pattern and that a similar noncompliance did not occur in the previous three years or within the past five years at another facility owned by the company;
- (7) Show that the noncompliance did not cause actual harm or violate an administrative order or agreement; and
- (8) Provide certain specified information to the department.

The terms of any compliance agreement reached between a company and the department will be available to the general public.

FISCAL NOTE: No impact on state funds in FY 2008, FY 2009, and FY 2010.

PROPONENTS: Supporters say that the bill will encourage the use of voluntary environmental audits. It will not alter any

existing environmental reporting requirements or prevent tort suits based on noncompliance with environmental regulations.

Testifying for the bill were Representative Bivins; Department of Natural Resources; Associated Industries of Missouri; and Randy Scheer.

OPPONENTS: Those who oppose the bill say that it is unnecessary and will not encourage environmental compliance. The federal Environmental Protection Agency prefers that state statutes not alter its regulatory requirements.

Testifying against the bill were Office of the Attorney General; Sierra Club; and Missouri Votes Conservation.