

### **Natural Gas Development Bills**

The 2017 Maryland Legislative Session has been significant for the contentious topic of natural gas exploration utilizing hydraulic fracturing. During the 2013 Session, legislation was introduced to establish a four-year moratorium to allow the State to conduct studies. Studies resulted in an O'Malley Administration executive order creating the Marcellus Shale Commission. The Commission completed its work by putting in place a moratorium. Legislation was then put in place requiring State Regulations on oil and gas production, and also an extension of the existing moratorium until October 1, 2017.

Maryland Department of Environment (MDE) is finalizing regulations effective before the moratorium's close. Even though MDE proposed "platinum standard" regulations to govern the practice of hydraulic fracturing, many legislators insist on having a State-wide ban. Natural Gas Development can only take place in two Western Maryland Counties (Garrett County, and a small portion of Allegany County); however, a ban would be in effect in *every* Maryland County.

Senator Zirkin sponsored the "Fracking Ban Bill", known as **SB 741/HB 1325 Oil and Natural Gas - Hydraulic Fracturing - Prohibition**. This bill, introduced by a Baltimore County Senator-where no drilling for natural gas is probable, will ban the practice of hydraulic fracturing in the entire State of Maryland. If passed, this legislation will make it highly unlikely that *any* natural gas will be produced in the foreseeable future in Western Maryland.

If the majority of legislators in the Maryland General Assembly decide to ban the practice of natural gas development, the State would inevitably be taking away the property rights of those who have property in the Marcellus and Utica shale rock formation region. If the State wishes to take these mineral rights away from landowners, they should be compensated.

Senator Edwards and I proposed legislation, **SB 980/HB 1461 Environment - Natural Gas and Oil Interest Restitution Fund**. This legislation requires the State to create a restitution fund to compensate landowners for taking away their property mineral rights.

Senator Joan Carter Conway introduced **SB 862 Environment - Hydraulic Fracturing - Moratorium and Referenda**, which offers an option to resolve the outright ban of hydraulic fracturing in Maryland. She suggests an extension of the moratorium until issues can be put to a referendum vote in every local jurisdiction. She also wants the State to drill an exploratory well, under the new regulations adopted by MDE, and fully determine if Maryland can safely enact hydraulic fracturing to produce natural gas from tight shale formations.

This has been and will continue to be a very contentious issue. Even if anything short of a total ban on natural gas development in Maryland is passed in any form the debate will go on. I am reminded of the old adage: You don't have to win every argument.    Agree to disagree.