

**Testimony**  
**House Bill 1271**  
**House Energy and Natural Resources Committee**  
**January 29, 2015, 9:00 a.m.**  
**North Dakota Department of Health**

Good morning Chairman Porter and members of the House Energy and Natural Resources Committee. My name is David Glatt, Environmental Health Section Chief for the North Dakota Department of Health. We are responsible for the implementation of many of the environmental protection programs in the state. I am here to provide information regarding HB 1271.

I want to first point out that the Department appreciates the intent of the bill to ensure a funding source for the Environmental Quality Restoration Fund. The fund has been used to assess, control and/or clean up a variety of environmental incidents for which we were not able to find a responsible party, or for which a responsible party was unable or unwilling to initiate an appropriate response.

However, we are concerned that the current proposal to utilize collected enforcement penalties to maintain the fund could be viewed as a conflict of interest, resulting in extended enforcement negotiations or contested settlements. We are of the opinion that the conflict of interest issue would arise because assessing large penalties could be viewed as a means to increase the balance of the fund from which the Department would directly benefit. We are periodically asked during enforcement meetings where the collected penalties are deposited and who will directly benefit from the penalties. Our response is that the penalties are deposited into the General Fund from which the Department does not directly benefit. Taking these questions off the table reduces the time to complete an enforcement action.

It is important to note that SB 2190 will allow the Department access to the Abandoned Oil and Gas Well Plugging and Site Reclamation Fund to help in the cleanup of oil and gas related spills. SB 2190 has been passed by the Senate.

This concludes my testimony. I would be happy to answer any questions you may have relating to this matter.