
Detailed Fiscal Analysis

Background

The bill extends the Environmental Audit Privilege Law sunset date from January 1, 2009 to January 1, 2014. The law was originally enacted in 1997 and is enforced by the Ohio Environmental Protection Agency (EPA). It allows regulated entities to perform voluntary self-audits to determine compliance with current environmental regulations. The law also gives these entities privilege of not having the information contained in the audits used against them in future civil or administrative proceedings, and immunity from civil penalties associated with any violations that are found as a result of the audit. Additionally, the law sets out exemptions from the privilege and immunity provisions above. The bill would retain these provisions, which are listed in the LSC Bill Analysis.

Applications and EPA costs

Since the Environmental Audit Privilege Law was enacted, there have been approximately 100 applications for privilege or immunity based upon voluntary audits undertaken by regulated entities. Of those requests, approximately 40 have been approved, 40 have been denied, and 20 are still pending. Because there are very few applications in any given year, the EPA does not devote any full-time employees to handle these cases directly. The cases are absorbed into the workload of current agency employees within various divisions of the agency. As a result, the extension of this program will not result in any new costs to the agency.

Local fiscal impacts

Extending the Environmental Audit Privilege Law could forestall some litigation that would otherwise occur in common pleas courts if the law were to sunset. However, since the EPA has approved few applications under the law, the savings would be minimal.

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