

# **GOVERNMENTAL AFFAIRS**

WEEKLY REPORT September 24, 2018

#### WEEKLY HIGHLIGHTS AT-A-GLANCE

## FEDERAL – Regulatory

- BLM Venting and Flaring Rule Revision. In a win for the industry, on September 18, the Bureau of Land Management (BLM) announced a final rule that revises the Obama-era Waste Prevention Rule (also known as the Venting and Flaring rule). The new BLM rule, Waste Prevention, Production Subject to Royalties, and Resource Conservation; Rescission or Revision of Certain Requirements (RIN 1004-AE53), will soon be published in the Federal Register, opening up a 60-day public comment period. According to the rule summary, the revision "reduces unnecessary compliance burdens" and is "rescinding the 2016 rule's novel requirements pertaining to waste minimization plans, gas-capture percentages, well drilling, well completion and related operations, pneumatic controllers, pneumatic diaphragm pumps, storage vessels, and leak detection and repair." Moreover, the BLM determined that the Obama administration had also underestimated the 2016 rule's costs. The new rule has been met with wide approval by industry leaders. "The late-2016 Obama administration rule was all about regulating air quality, which is the job of EPA and the states under the Clean Air Act, not BLM, which has no air-quality expertise or authority," said Kathleen Sgamma, president of the Western Energy Alliance. "The new regulation restores the rule of law while reducing waste of natural gas, which was supposed to be the intent of the original rule in the first place." Read more.
- BLM Lease Sale Wyoming. The BLM has released its environmental analysis for the
  December 2018 oil and gas lease sale and issued its Finding of No Significant Impact,
  allowing the sale to move forward while deferring a number of parcels. The sale will
  offer 581 parcels totaling approximately 780,679 acres. Originally, the sale contained
  674 parcels within the High Desert District, the High Plains District and the Wind
  River/Bighorn Basin but the parcel offerings were scaled back to accommodate certain
  mining activity, Native American consultations, and Greater Sage-Grouse considerations.
  Read more.

### **FEDERAL – Judicial**

• BLM Venting and Flaring Rule Revision – California Federal Court. On the same day the Trump administration released its methane venting and flaring rule revision (see Federal – Regulatory section above) to roll back the Obama-era rule, the states of California and New Mexico sued the Interior Department, calling the changes "harmful" and "unsupported by facts." In the complaint, <u>State of California v. Zinke, et al.</u>

(Case No. 3:18-cv-05712), filed in the U.S. District Court for the Northern District of California, the litigants seek to set aside the rule repeal charging that the 2016 Waste Prevention rule is needed to reduce waste of natural gas and air pollution and that the BLM didn't properly justify repealing key portions of the rule, and that the new standard is legally insufficient. Read more.

#### STATE – Regulatory

Notaries Public - Texas. On August 19, the Texas Secretary of State issued the administrative rules to implement the state's new notary public statute which now allows notaries public in Texas the ability to legally provide their notarization services online. The 85th Session of the Texas Legislature passed H.B. 1217 in June 2017 to approve online notarization, making it the third state (after Virginia and Montana) to allow notaries to perform such remote notarial acts. That law went into effect on July 1, 2018 but the Secretary of State had to first develop standards and rules to effectuate the new law. "Texas will require a notary who performs remote notarizations to be a regular notary public of the state first, and obtain a separate commission to perform online acts. H.B. 1217 appears targeted at protecting the integrity of the notary process, by requiring notaries performing online acts to record the audio-video conference with the person making the acknowledgment, and by affirming in the notarization certificate that the online appearance was accomplished using two-way audio-video communication." Read more. Access the Texas Secretary of State Notary Public Information Page here. For a fact sheet on the statute and information on short courses in online notarization, click here.

# STATE - Legislative

- Eminent Domain; General Land Office Texas. On October 3, the Texas House of Representatives Land & Resource Management Committee will hold a public hearing on a number of issues, including examining the Texas "eminent domain statutes to ensure a balance between necessary infrastructure growth and fair compensation for landowners"; "review available public information and data relating to the compensation provided to private property owners"; and "make recommendations to improve the accountability, as well as successful development, of the entities granted eminent domain authority." The hearing will also review the General Land Office's role and efforts in storm-related and natural disaster recovery as well as "provide an assessment of public lands and make recommendations on future and ongoing mitigation strategies regarding state assets." The hearing will be held at 9:00 AM at the Congressman Soloman P. Ortiz International Center, Nueces Room, 402 Harbor Drive, Corpus Christi, Texas. For more information you may contact Stacey Nicchio at 512-463-0850. Read more.
- Notary Public Amendments Washington, DC. On September 18, bill <u>B22-0324</u> passed

its final reading in the Council of the District of Columbia. The bill, which was introduced by Chairman Phil Mendelson (D) at the request of Mayor Muriel Bowser (D), is known as the "Notary Public Electronic Establishment and Enhancement Amendment Act of 2017." The bill amends current law in that it does not require the notary's sole place of residence or business be in the District. Among other provisions, it requires that upon death, resignation, or revocation, notaries must return the official notarial seal to the District, along with other official documents and establishes an electronic notary system. The measure also departs from the Revised Uniform Law on Notarial Acts "in its requirement that notaries public obtain from the Mayor a separate endorsement on their notary commissions to perform electronic notarial acts." Read more.

## STATE – Judicial

Ballot Initiative - Ohio. On September 11, in State ex rel. Bolzenius v. Preisse (Case No. 2018-Ohio-3708), the Ohio Supreme Court held that a proposed ballot initiative creating a Community Bill of Rights for the city of Columbus was properly excluded from the upcoming November 2018 election. According to the court, the measure was "properly excluded from the upcoming November 2018 election because the proposed ordinance attempts to enact provisions that are beyond the scope of municipality's legislative power." The initiative would have "prohibit[ed] most hydrocarbon-extraction activities within the city and impose[d] strict liability on any government or corporation that violate[d] its terms." Read more.

#### **INDUSTRY NEWS FLASH:**

**♦ Leading U.S. oil and gas producers join voluntary climate change initiative.** Last week, ExxonMobil, Chevron and Occidental Petroleum became the first U.S. energy companies to join the global Oil and Gas Climate Initiative, a coalition of 13 top oil and gas producers which aims to voluntarily reduce greenhouse gas emissions. The addition of the three companies means the initiative's members now account for 30 percent of worldwide oil and gas output. Each company has committed \$100 million to the effort and will be part of the coalition's programs to collaborate with various stakeholders and develop the latest technologies to pursue lower-emissions while meeting the ever-growing global energy demand. Read more.

# **State-by-State Legislative Session Overview**

**Pennsylvania** is in regular session. **Ohio** is in skeleton session. The **United States** Congress, District of Columbia and Puerto Rico are in regular session.

Michigan is in recess until September 25. Illinois, Massachusetts, New Jersey, New York, **Rhode Island** and **Wisconsin** are in recess to the call of the chair.

West Virginia Republican Gov. Jim Justice issued a proclamation calling for a special session to begin June 26 to address possible removal of one or more Justices of the Supreme Court of Appeals. The House Judiciary Committee passed 14 of the 16 articles of impeachment on August 7 and the House adopted articles of impeachment against the four sitting justices on August 13. The House met on August 29 to elect an interim speaker, and the Senate returned on September 11 to commence impeachment for the remaining justices and is now in recess until October 1.

Missouri adjourned their special session on September 19 pertaining to the state's treatment courts and STEM education.

Virginia's House Privileges and Elections Committee is scheduled to meet on September 27 to discuss redistricting plans, reports *The Virginia Pilot*.

North Carolina Democratic Gov. Roy Cooper issued a press release requesting the legislature return on October 9 for a special session to address funding needs for Hurricane Florence recovery.

California Democratic Gov. Jerry Brown has until September 30 to act on legislation that was in his possession on or after September 1 or it becomes law without signature. Alaska Independent Gov. Bill Walker has 20 days from presentment, Sundays excepted, to act on legislation or it becomes law without signature. **Illinois** Republican Gov. Bruce Rauner has 60 days from presentment to act on all legislation passed during the veto session or it becomes law. Maine Republican Gov. Paul LePage has three days after the next meeting of the legislature to act on special session legislation or it becomes law without signature. Minnesota Democratic Gov. Mark Dayton has 14 days from presentment to act on legislation presented on or after May 17 or it is pocket vetoed. **Mississippi** Republican Gov. Phil Bryant has 15 days from presentment to act on special session legislation or it becomes law. Missouri Republican Gov. Mike Parson has 45 days from presentment to act on legislation or it becomes law without signature. New York Democratic Gov. Andrew Cuomo has 10 days from presentment, Sundays excepted, to sign or veto legislation or it becomes law without signature. North Carolina Democratic Gov. Roy Cooper has 10 days from presentment to act on special session legislation or it becomes law without signature. Rhode Island Democratic Gov. Gina Raimondo has six days from presentment, Sundays excepted, to act on legislation or it becomes law without signature. West Virginia Republican Gov. Jim Justice has 15 days from adjournment of the special session, Sundays excepted, to act on legislation or it becomes law without signature.

The following states are currently holding 2019 interim committee hearings: Alabama, Alaska, Arizona, Arkansas, California Assembly and Senate, Colorado, Connecticut, Florida House, Hawaii, Idaho, Illinois Senate, Indiana, Iowa, Kansas, Kentucky, Maine, Maryland, Minnesota, Mississippi Senate, Missouri House and Senate, Montana, Nevada, New Hampshire House and Senate, New Mexico, New York Assembly and Senate, North Carolina, North Dakota, Oklahoma House, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Texas House and Senate, Utah, Vermont, Virginia, Washington, West Virginia and Wyoming.

The following states are currently posting 2019 bill drafts, prefiles and interim studies: Florida Senate, Iowa, Kentucky, Montana, Nevada, New Hampshire, North Dakota, Oklahoma House and Senate, Utah and Virginia.

### Landmen

#### **Employee Classification**

Pennsylvania HB 1781 has been scheduled for a hearing in the House Labor and Industry Committee on September 24 at 9:00 AM. This bill, introduced in 2017 and getting no traction since then, is sponsored by Rep. Fred Keller, R-Snyder. The measure would allow independent contractors and businesses to voluntarily register independent contractor status with the Department of Labor and Industry if a person is considered an independent contractor in federal tax filings. The individual would sign an affidavit certifying that they know they will not be considered an employee with regards to workers' compensation. The independent contractor would be able to withdraw their affidavit at any time. The bill would only apply to those who use the registration process and would not change anything for businesses and independent contractors who choose not use the process. We will keep members updated following the hearing.

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