

## HB 1147 -- Disclosure of Environmental Audits

Sponsor: Bivins

This bill provides immunity from both civil and criminal actions to certain companies subject to environmental regulation. Companies that comply with the audit requirements are generally exempted from criminal liability, unless there is some intentional scheme to violate environmental regulations. Prosecutors are not allowed to make use of the audit reports for either civil or criminal purposes. Economic damages for noncompliance discovered through methods that meet the audit requirements are generally limited to the benefits gained by the company because of its noncompliance.

In order to comply with the audit requirements, a company must:

- (1) Discover its noncompliance through voluntary internal procedures or audits;
- (2) Disclose its noncompliance to the Department of Natural Resources within 21 days;
- (3) Make the disclosure prior to several types of legal actions and regulatory investigations;
- (4) Correct the noncompliance within 60 days or as determined by the department;
- (5) Take steps to prevent future noncompliance;
- (6) Show that the specific noncompliance was not part of a pattern and did not occur in the previous three years;
- (7) Show that the noncompliance did not cause serious actual harm or violate any administrative order or consent agreement; and
- (8) Provide certain required information to the department.