

10630

I N A S S E M B L Y

June 12, 2012

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Maisel) --
read once and referred to the Committee on Judiciary

AN ACT to amend the civil practice law and rules, in relation to the
settlement of causes of action relating to hydraulic fracturing

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEM-
BLY, DO ENACT AS FOLLOWS:

1 Section 1. The civil practice law and rules is amended by adding a new
2 section 5003-b to read as follows:
3 S 5003-B. SETTLEMENT OF HYDRAULIC FRACTURING CLAIMS. (A) FOR THE
4 PURPOSES OF THIS SECTION, "HYDRAULIC FRACTURING" MEANS THE USE OF CHEMI-
5 CALS, WATER AND OTHER SUBSTANCES INJECTED OR PUMPED INTO A NATURAL GAS
6 WELL TO STIMULATE THE EXTRACTION OF NATURAL GAS.
7 (B) WHEN THE PARTIES TO AN ACTION, WHICH IN ANY MANNER RELATES TO
8 HYDRAULIC FRACTURING, AGREE TO SETTLE SUCH ACTION, THE TERMS OF SUCH
9 SETTLEMENT SHALL NOT INCLUDE OR BE SUBJECT TO ANY NON-DISCLOSURE AGREE-
10 MENT WHERE ANY FACTS DISCLOSED IN SUCH ACTION RELATE TO A THREAT TO THE
11 PUBLIC HEALTH OR SAFETY. NO COURT SHALL APPROVE OR ALLOW ANY SETTLEMENT
12 OF SUCH AN ACTION, WHICH INCLUDES A NON-DISCLOSURE AGREEMENT UNTIL THE
13 COURT HAS REVIEWED ALL FACTS RELATED TO THE HYDRAULIC FRACTURING ACTION
14 TO DETERMINE WHETHER THERE IS ANY EVIDENCE OF A THREAT TO THE PUBLIC
15 HEALTH OR SAFETY.
16 S 2. This act shall take effect immediately and shall apply to settle-
17 ments of actions occurring on or after such date.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets
[] is old law to be omitted.

LBD14689-01-2