

## **BILL ANALYSIS**

Senate Research Center  
76R6357 SMH-F

S.B. 814  
By: Brown  
Natural Resources  
3/5/1999  
As Filed

### **DIGEST**

Currently, oil and gas operators may renew permits and continue operating because the Railroad Commission has incurred but not assessed or adjudged certain costs against the operator. This bill would provide for the reimbursement of incurred costs, rather than assessed or adjudged costs, for the Railroad Commission.

### **PURPOSE**

As proposed, S.B. 814 provides for the reimbursement of the Railroad Commission for certain costs incurred by the commission.

### **RULEMAKING AUTHORITY**

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 91.104(b), Natural Resources Code, to authorize a person or entity required to file a bond under Section 91.103 to choose to file a nonrefundable annual fee of \$100, if the person or entity can demonstrate compliance with all Railroad Commission (RRC) rules, orders, licenses, permits, or certificates that relate to safety or pollution prevention or control for the previous 48 months, has no outstanding violations of such rules, orders, licenses, permits, or certificates, has paid all penalties relating to any violations, has paid all reimbursements of any costs and expenses incurred, rather than assessed, by RRC in relation to any violations, a nonrefundable annual fee, and a first lien on certain tangible personal property. Makes nonsubstantive changes.

SECTION 2. Amends Section 91.1091, Natural Resources Code, to require RRC to refund bond proceeds or proceeds from other forms of security required under this subchapter if RRC has been reimbursed for all costs and expenses incurred, rather than assessed by RRC in relation to those conditions. Makes nonsubstantive changes.

SECTION 3. Amends Section 91.114(d), Natural Resources Code, to require RRC to accept the report or application or approve the certificate if all penalties and all cleanup and plugging costs incurred by the state relating to those conditions are paid or are being paid in accordance with an agreed payment schedule. Deletes text regarding costs incurred by the state and assessed or adjudged against the organization.

SECTION 4. Emergency clause.  
Effective date: upon passage.