

BILL ANALYSIS

Senate Research Center

S.B. 1751
By: Haywood
Natural Resources
4/2/2001
As Filed

DIGEST AND PURPOSE

Currently, the oil and gas industry is experiencing rapidly fluctuating prices and, consequently, personnel shortages, lack of training for oil field personnel, and a lack of investors for research and development projects. As proposed, S.B. 1751 creates a voluntary check-off program in which oil and gas industry members fund certain activities by contributing to certain causes, such as promoting environmentally sound production methods and technologies; supporting educational activities regarding the development of energy resources; supporting job training and research activities regarding energy production; educating the public regarding the importance of oil, natural gas, and pipeline industries; and promoting pipeline safety.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Title 70, Revised Statutes, by adding Article 4413 (47g), as follows:

Art. 4413 (47g). Texas Energy Resource Board

ARTICLE 1. GENERAL PROVISIONS

Sec. 1.01. Defines “condensate,” “gas,” “oil,” “person,” and “qualified producer association.”

ARTICLE 2. TEXAS ENERGY RESOURCE COUNCIL

Sec. 2.01. Creates the Texas Energy Resource Council. Sets forth guidelines concerning the members of the council.

Sec. 2.02. Sets forth guidelines concerning council officers, compensation, and reimbursement.

Sec. 2.03. Provides findings of purpose.

ARTICLE 3. ENERGY RESOURCE FUND

Sec. 3.01. Creates the energy resource fund and sets forth guidelines concerning money in the fund.

ARTICLE 4. ASSESSMENT

Sec. 4.01. (a) Provides that, to fund the purposes and activities of the Texas Energy Resource Council, an assessment is imposed on the production of oil, gas, and condensate produced in this state in a certain amount.

(b) Provides that Chapters 201 (Gas Production Tax) and 202 (Oil Production Tax), Tax Code, apply to the administration and collection of the assessment imposed by this Act.

(c) Requires proceeds from the assessment to be deposited to the energy resource fund as provided by Section 3.01 of this Act.

(d) Requires the comptroller, to defray the costs of collecting and administering the assessment imposed by this section, to retain a portion of the proceeds collected from the assessment in an amount approximately equal to the amount necessary for administering this section.

Sec. 4.02. Sets forth guidelines concerning assessments due that are not paid or are not properly paid to the comptroller.

Sec. 4.03. Sets forth guidelines concerning refunds of assessments.

SECTION 2. Effective date: September 1, 2001.