

## **BILL ANALYSIS**

Senate Research Center  
79R2404 RMB-D

H.B. 472  
By: West, George "Buddy" (Armbrister)  
Natural Resources  
5/1/2005  
Engrossed

### **AUTHOR'S/SPONSOR'S STATEMENT OF INTENT**

Currently, permitted coal operations pay an annual fee based on the number of acres from which coal or lignite has been extracted. After active mining cases, permits can continue 10 to 15 years until the large acreages of mined/disturbed land have been reclaimed and the operators are released from their reclamation bond. Mining permits, wherein only reclamation activities are ongoing, require essentially the same level of staff resources dedicated to allow for maintenance (inspection, monitoring date review, bond release applications procession, reclamation plan revisions) as permits with the active mining and reclamation operations.

H.B. 472 allows the Railroad Commission to collect two additional annual fees. The total amount of fees collected would essentially be the same as under current statute. The addition of the two annual fees will allow a fee collection matrix to be constructed that will reallocate fees to all permitted operations based on their active mining and bonded acreage profile.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Texas Railroad Commission in SECTION 2 of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 134.055, Natural Resources Code, as follows:

Sec. 134.055. New heading: ANNUAL FEES. (a) Requires, in addition to the application fees required by Section 134.054, each permit holder to pay to the Texas Railroad Commission (commission) certain amended annual fees.

(b) Creates subsection from existing text. Provides that a fee under Subsection (a) is due not later than March 15 of the year following the year for which the fee was imposed.

(c) Requires the commission to determine the amount of each fee under Subsection (a). Deletes existing text specifying a dollar value for the fee.

SECTION 2. (a) Requires the commission to adopt rules setting the fees required under Section 134.055, Natural Resources Code, as amended by this Act, not later than December 1, 2005. Authorizes the commission, if necessary to adopt emergency rules setting the fees to meet the December 1 date.

(b) Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2005.