

BILL ANALYSIS

Senate Research Center
87R16521 SLB-F

H.B. 2201
By: Ashby; Guillen (Nichols)
Natural Resources & Economic Development
5/10/2021
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In July of last year, rumors of a waste disposal site permeated throughout San Augustine County. Several months later, local officials learned an application for a permit to operate a stationary treatment facility had been filed with the Railroad Commission of Texas (RRC) by PA Prospect LLC of Columbus, Montana on October 30, 2019. The community had widespread concerns this project could potentially pollute groundwater because of its location in the floodplain.

H.B. 2201 instructs RRC to establish rules formalizing their current practice of considering recent flood history, in addition to the 100-year flood plain, when making a determination on the location of a commercial oil and gas waste facility.

H.B. 2201 amends current law relating to the location of pits used in the production of oil and gas.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Railroad Commission of Texas in SECTION 1 (Section 91.1017, Natural Resources Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter D, Chapter 91, Natural Resources Code, by adding Section 91.1017, as follows:

Sec. 91.1017. LOCATION OF CERTAIN PITS. Requires the Railroad Commission of Texas by rule to establish standards governing permissible locations for pits used by commercial oil and gas disposal facilities. Requires that the rules include a history of flooding in the 10 years preceding the construction of the pit as a factor in determining whether a proposed location of a pit is permissible.

SECTION 2. Effective date: September 1, 2021.