

## **BILL ANALYSIS**

Senate Research Center  
83R12223 SLB-F

H.B. 3309  
By: Crownover (Estes)  
Natural Resources  
5/11/2013  
Engrossed

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

Interested parties note that the groundwater advisory unit, which was recently transferred from the Texas Commission on Environmental Quality (TCEQ) to the Railroad Commission of Texas, is tasked with protecting the state's groundwater supplies from oil and gas drilling operations. As part of the permitting process for an oil, gas, or disposal well, the unit assesses the risk a potential well may pose to groundwater in the area, and the unit collects fees from operators to pay for its activities. The parties contend that during the period that the unit was under the authority of TCEQ, all of the fees collected were retained by TCEQ to pay for the operations of the unit, but that since the transfer to the railroad commission, the fees assessed by the unit have been allocated to general revenue and only half of the revenue generated by those fees have been subsequently appropriated to the railroad commission.

H.B. 3309 amends current law relating to the composition and use of money in the oil and gas regulation and cleanup fund.

### **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 Section 81.067(c), Natural Resources Code, to provide that the oil and gas regulation and cleanup fund consists of certain monies, including fees collected under Section 91.0115.

SECTION 2. Amends Section 81.068, Natural Resources Code, to authorize money in the oil and gas regulation and cleanup fund to be used by the Railroad Commission of Texas (railroad commission) or its employees or agents for any purpose related to the regulation of oil and gas development, including the study and evaluation of electronic access to geologic data and surface casing depths necessary to protect usable groundwater in this state, and administrative costs and state benefits for personnel involved in those activities.

SECTION 3. Amends Section 91.0115, Natural Resources Code, by amending Subsection (c) and adding Subsection (d), as follows:

(c) Requires the railroad commission to charge a fee not to exceed \$75, in addition to the fee required by Subsection (b) (relating to authorizing the railroad commission to charge certain fees), for processing a request to expedite a letter of determination. Deletes existing text authorizing money collected under this subsection to be used to study and evaluate electronic access to geologic data and surface casing depths under Section 91.020 (Electronic Geological Data).

(d) Requires that the fees collected under this section be deposited in the oil and gas regulation and cleanup fund.

SECTION 4. Effective date: September 1, 2013.