

## **BILL ANALYSIS**

C.S.H.B. 3576  
By: Guerra  
Energy Resources  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

It has been suggested that geothermal resources may be underutilized in Texas. C.S.H.B. 3576 seeks to address this issue by authorizing the Railroad Commission of Texas to study the geothermal energy potential and associated resources in Texas.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.H.B. 3576 amends the Natural Resources Code to authorize the Railroad Commission of Texas (RRC) to study the geothermal energy potential and associated resources in Texas to do the following:

- examine the potential for utilizing inactive or abandoned wells for their geothermal potential;
- review areas of Texas with high geothermal activity;
- consider alternative uses of wells listed in the State Managed Plugging program; and
- ways to encourage the production of geothermal energy and associated resources in Texas.

C.S.H.B. 3576 authorizes the RRC to accept federal funds for the purpose of the Geothermal Resources Act of 1975 and enter into a partnership with the University of Texas Bureau of Economic Geology and the Southern Methodist University Geothermal Lab to facilitate their study and expend the federal funds received.

### **EFFECTIVE DATE**

September 1, 2021.

### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

C.S.H.B. 3576 includes provisions relating to the authority of the RRC to study the geothermal energy potential and associated resources in Texas for certain purposes, including ways to encourage the production of such energy and resources, accept federal funds, and enter into a certain partnership with the University of Texas Bureau of Economic Geology and the Southern Methodist University Geothermal Lab. The substitute does not include any provisions from the

original, which relates to a requirement that the RRC establish a program to enter into partnerships with certain producers of geothermal energy and associated resources in Texas for certain purposes, including encouraging the production of such energy and resources and earning a return on investment for the state, and the establishment of the geothermal investment fund.