

BILL ANALYSIS

Senate Research Center
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S.B. 1070
By: Bivins
Natural Resources
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As Filed

DIGEST

Currently, Texas law does not provide for the Railroad Commission to impose and administer a penalty against a person who knowingly breaks or otherwise tampers with or attempts to destroy or remove a seal or other device placed on certain wells by the commission. S.B. 1070 would authorize the commission to impose an administrative penalty against a person who knowingly breaks or otherwise tampers with or attempts to destroy or remove a seal or other device placed on certain wells by the commission.

PURPOSE

As proposed, S.B. 1070 creates an administrative penalty for certain violations relating to the production of oil and gas.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 85K, Natural Resources Code, by adding Section 85.3855, as follows:

Sec. 85.3855. ADMINISTRATIVE PENALTY. Authorizes the Railroad Commission (commission) to impose an administrative penalty on certain persons. Prohibits the amount of the penalty from exceeding \$10,000 for each violation. Requires the amount to be based on certain criteria. Authorizes the enforcement of the penalty to be stayed during the time the order is under judicial review if the person pays the penalty to the clerk of the court or files a supersedeas bond with the court in the amount of the penalty. Authorizes a person who cannot afford to pay the penalty or file the bond to say the enforcement by filing an affidavit in the manner required by the Texas Rules of Civil Procedures for a party who cannot afford to file security for costs, subject to the right of the board to contest the affidavit as provided by those rules. Authorizes the attorney general to sue to collect penalty. Provides that a proceeding to impose the penalty is considered to be a contested case under Chapter 2001, Government Code. Provides that a penalty imposed by the commission for contempt for violation of a commission rule or order.

SECTION 2. Effective date: September 1, 1999.

SECTION 3. Makes application of this Act prospective.

SECTION 4. Emergency clause.