

## **BILL ANALYSIS**

Senate Research Center  
76R6739 SMJ-F

S.B. 1403  
By: Fraser  
Natural Resources  
4/7/1999  
As Filed

### **DIGEST**

Currently, the Railroad Commission of Texas is not required to deposit certain fees and penalties collected to the credit of the oil-field cleanup fund. The recent downturn in oil and gas industry production has caused the collection of fees for the oil-field cleanup fund to decline, resulting in a reduction of the fund. Concurrently, there has also been an increase in fund expenditures due to increases in the number of well-pluggings and the number and complexity of site remediation activities at abandoned oil field sites. This bill would require the deposit of certain fees and penalties collected by the Railroad Commission to be applied to the credit of the oil-field cleanup fund.

### **PURPOSE**

As proposed, S.B. 1403 requires the deposit of certain fees and penalties collected by the Railroad Commission to the credit of the oil-field cleanup fund.

### **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 Section 81.0531, Natural Resources Code, by adding Subsection (d), to require a penalty collected under this section to be deposited to the credit of the oil-field cleanup fund.

SECTION 2. Amends Section 85.2021(d), Natural Resources Code, to delete text which provided an exception to the requirement that all fees collected under this section to be deposited in the state oil-field cleanup fund.

SECTION 3. Amends Section 91.1013(c), Natural Resources Code, to require all fees collected under this section to be deposited in the state oil-field cleanup fund.

SECTION 4. Amends Section 91.111(c), Natural Resources Code, to provide that the oil-field cleanup fund consists of penalties collected under Section 81.0531. Makes conforming and nonsubstantive changes.

SECTION 5. Repealer: Section 34, Chapter 603, Acts of the 72nd Legislature, Regular Session, 1991 (repealing fees imposed under Sections 85.2021, 81.116, and 81.117, Natural Resources Code).

SECTION 6. Effective date: September 1, 1999.  
Makes application of this Act prospective.

SECTION 7. Emergency clause.