

BILL ANALYSIS

Senate Research Center
76R6335 SMH-F

S.B. 812
By: Brown
Natural Resources
3/5/1999
As Filed

DIGEST

Currently, the Railroad Commission orders reimbursement of costs for state-funded cleanup and plugging of oil wells under implied authority. This bill grants explicit authority to the Railroad Commission to assess and order reimbursement of well plugging and oil field cleanup costs incurred by the Railroad Commission through the administrative process.

PURPOSE

As proposed, S.B. 812 provides for the recovery by the Railroad Commission of Texas of well plugging and oil field cleanup costs incurred by the Railroad Commission.

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 89.043(c), Natural Resources Code, to require a notice directing a well operator to plug the well to state that if the Railroad Commission (RRC) plugs the well, RRC is authorized, by order, to require the operator to reimburse RRC for the plugging costs. Makes conforming changes.

SECTION 2. Amends Sections 89.083(h)-(j), Natural Resources Code, to authorize RRC, by order, to require the operator and any nonoperator to reimburse RRC for all reasonable expenses incurred in plugging a well. Requires RRC to seek reimbursement for all reasonable expenses incurred in plugging any well through an action instituted by the attorney general against a person who violates an order issued under Subsection (h). Redesignates existing Subsections (i) and (j) as Subsections (j) and (k).

SECTION 3. Amends Section 91.113(f), Natural Resources Code, to authorize RRC, by order, to require any person required to control or clean up oil and gas wastes or other substances or materials to reimburse RRC for all oil field cleanup costs incurred by RRC. Authorizes RRC to request the attorney general to file suit against the person in any court of competent jurisdiction in Travis County to recover those costs if the person violates the order.

SECTION 4. Emergency clause.
Effective date: upon passage.