

BILL ANALYSIS

Senate Research Center

C.S.S.B. 812
By: Brown
Natural Resources
3/10/1999
Committee Report (Substituted)

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, C.S.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, Natural Resources Code, by amending Subsection (c) and adding Subsection (f), as follows:

(c) Requires 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. Authorizes RRC to request the attorney general to file suit against the operator to recover those costs. Makes conforming and nonsubstantive changes.

(f) Requires the attorney general to file suit to enforce an order issued by RRC under Subsection (c)(3)(A), at the request of RRC.

SECTION 2. Amends Subsections (h), (i), and (j), Section 89.083, 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 the attorney general to file suit to enforce an order issued by RRC under Subsection (h)(1), at the request of RRC. Deletes a requirement that RRC seek reimbursement for all reasonable expenses incurred in plugging any well through an action instituted by the attorney general. 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 to recover those costs. Requires the attorney general to file suit, at the request of RRC, to enforce an order issued by RRC under this subsection. Authorizes a suit under this subsection to be filed in any court of competent jurisdiction in Travis County. Makes nonsubstantive changes.

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

SUMMARY OF COMMITTEE CHANGES

SECTION 1.

Amends Section 89.043, Natural Resources Code, by amending Subsection (c) and adding Subsection (f), as follows:

(c) Authorizes RRC to request the attorney general to file suit against the operator to recover those costs. Makes nonsubstantive changes.

(f) Requires the attorney general to file suit to enforce an order issued by RRC under Subsection (c)(3)(A), at the request of RRC.

SECTION 2.

Amends Subsections (h), (i), and (j), Section 89.083, Natural Resources Code, to require the attorney general to file suit to enforce an order issued by RRC under Subsection (h)(1), at the request of RRC. Deletes a requirement that RRC 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).

SECTION 3.

Amends Section 91.113(f), Natural Resources Code, to authorize RRC to request the attorney general to file suit against the person to recover those costs. Requires the attorney general to file suit, at the request of RRC, to enforce an order issued by RRC under this subsection. Authorizes a suit under this subsection to be filed in any court of competent jurisdiction in Travis County. Makes nonsubstantive changes.