

BILL ANALYSIS

Senate Research Center
87R12105 SLB-D

S.B. 1335
By: Perry
Water, Agriculture & Rural Affairs
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, commercial produced water recycling companies are growing in need and number in order to treat the large volumes of fluid oil and gas waste in the state. The permitting process for their operations is in need of an update in order to meet the needs of the growing industry.

S.B. 1335 directs the Railroad Commission of Texas to conduct rulemaking to create a more transparent and predictable permitting process for commercial produced water recycling operations.

As proposed, S.B. 1335 amends current law relating to the regulation of the recycling of oil and gas waste.

RULEMAKING AUTHORITY

Rulemaking authority previously granted to Railroad Commission of Texas is modified in SECTION 1 (Section 122.004, Natural Resources Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 122.004, Natural Resources Code, as follows:

Sec. 122.004. COMMISSION RULES FOR TREATMENT AND BENEFICIAL USE.

(a) Creates this subsection from existing text and makes no further changes.

(b) Prohibits rules adopted under this section, except as provided by Subsection (c), from differing in treatment of commercial and noncommercial recycling of fluid oil and gas waste.

(c) Requires that rules adopted under this section establish minimum siting standards for commercial fluid recycling pits; uniform technical, construction, and sampling standards consistent with noncommercial recycling standards for fluid oil and gas waste; minimum and maximum bonding and financial security amounts for commercial fluid recyclers; and standards for sampling and analysis of fluid oil and gas waste.

(d) Requires the Railroad Commission of Texas (railroad commission) to approve or deny an application for a permit issued under rules adopted under this section not later than the 90th day after the date the complete application was received by the railroad commission. Provides that if the railroad commission does not approve or deny the application before that date, the permit application is considered approved and the applicant is authorized to operate under the terms specified in the application for a period of one year.

(e) Requires that an application requesting a variance from the standards adopted under this section be evaluated and approved consistent with previous variances approved by the railroad commission.

SECTION 2. Effective date: September 1, 2021.