

## **BILL ANALYSIS**

Senate Research Center

H.B. 3444  
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Natural Resources  
5/14/1999  
Engrossed

### **DIGEST**

The recent downturn in the oil and gas industry has caused a decline in the fees collected for the state's oil-field cleanup fund. Additionally, fund expenditures have increased due to remediation activities at abandoned oil-field sites. In order to increase the amount of money being deposited into the oil-field cleanup fund, H.B. 3444 requires certain penalties and fees that are currently being deposited into the general revenue fund to be deposited instead into the oil-field cleanup fund. That money includes receipts from administrative penalties, fees collected for the expedited processing of drilling permit applications, and application fees for fluid injection well permits.

### **PURPOSE**

As proposed, H.B. 3444 requires certain penalties and fees collected by the Railroad Commission to be deposited into 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 a requirement that fees collected under this section for expediting a drilling permit application be deposited in the general revenue fund.

SECTION 3. Amends Section 91.1013(c), Natural Resources Code, to require fees collected under this section, rather than under only Subsection (b) (regarding a permit to discharge to surface water), to be deposited in the state oil-field cleanup fund.

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

SECTION 5. Effective date: September 1, 1999.  
Makes application of this Act prospective.

SECTION 6. Emergency clause.