

## **BILL ANALYSIS**

Senate Research Center  
81R1720 TRH-D

S.B. 540  
By: Estes  
Natural Resources  
3/13/2009  
As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Groundwater conservation districts (GCDs) have statutorily defined objectives to protect groundwater and have requested that the Texas Railroad Commission (commission) develop a notification system to alert a GCD of permit applications. Lack of notification is particularly frustrating given that GCDs have only 15 days to protest the application before the commission may approve it. Due to the length of the application, GCDs tend to protest all the sites, causing more work on the back end for the commission and industry. Once a protest is made, a GCD has a very small window of opportunity for reviewing the application before a hearing is called.

As proposed, S.B. 540 requires applicants filing for nonhazardous disposal well permits and injection well permits to notify a GCD when an application for an injection site in their district has been submitted to the commission. S.B. 540 also extends the time frame that a GCD can protest a permit from 15 days of filing to 30 days.

### **RULEMAKING AUTHORITY**

Rulemaking authority previously granted to the Texas Railroad Commission is modified in SECTION 1 (Section 27.034, Water Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 27.034, Water Code, by adding Subsection (a-1), to require that the rules adopted under Subsection (a), in connection with an application for a permit to dispose of oil and gas waste in a disposal well must, at a minimum, require the applicant to give notice of the application to any groundwater conservation district (GCD) in which the well is proposed to be located and provide any GCD that receives notice of the application at least 30 days after the date of receipt of the notice to request a public hearing on the application.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2009.