

BILL ANALYSIS

Senate Research Center

C.S.S.B. 540
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Natural Resources
3/20/2009
Committee Report (Substituted)

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.

C.S.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 that district has been submitted to the commission. C.S.S.B. 540 also extends the time frame in which a GCD can protest a permit from 15 days following the 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 Subsections (c) and (d), as follows:

(c) Requires 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, at a minimum, require the applicant, at the time the application is filed with the Railroad Commission, to provide a copy of the application to any groundwater conservation district in which the well is proposed to be located.

(d) Prohibits the Railroad Commission from approving of an application for a permit to dispose of oil and gas waste in a disposal well before the expiration of 30 days following the date the application is filed with the Railroad Commission, or the date that notice of the application has been published in accordance with Railroad Commission rules, whichever date is later.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2009.