

BILL ANALYSIS

Senate Research Center
85R10456 JXC-F

S.B. 1541
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Natural Resources & Economic Development
3/24/2017
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Drill cuttings are bits of ground rock and soil coated with a layer of nonhazardous drilling fluid that are produced while drilling an oil or gas well. Existing law requires that this waste be transported by a recycling company, which then assumes liability for any pollution caused by the waste. Existing law also requires the companies to recycle the drill cuttings and put them to use in a beneficial manner, typically for construction or road spreading. Depending on the desired use, recycling the waste sometimes requires the use of expensive cleaning systems.

Allowing drill cuttings to accumulate into large piles at the recycling sites is not a beneficial of this waste. S.B. 1541 defines "treatment," which will allow the Texas Railroad Commission to prevent companies from qualifying for these permits unless they intend to effectively recycle the drill cuttings.

As proposed, S.B. 1541 amends current law relating to the treatment and recycling for beneficial use of drill cuttings.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 123.001, Natural Resources Code, by adding Subdivision (4), to define "treatment" to mean a manufacturing, mechanical, or chemical process other than sizing, shaping, diluting, or sorting.

SECTION 2. Effective date: September 1, 2017.