

By: Puente

H.B. No. 975

A BILL TO BE ENTITLED

AN ACT

relating to the plugging of abandoned or deteriorated water wells.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 1901.053(a), Occupations Code, is amended to read as follows:

(a) Except as provided by Section 1901.256, the [The] department shall deposit money collected under this chapter to the credit of the water well drillers account in the general revenue fund. Money deposited in that account under this section may be used only to administer this chapter.

SECTION 2. Section 1901.101(b), Occupations Code, is amended to read as follows:

(b) One member appointed under Subsection (a)(1) must be selected from the state at large and the remaining five driller members must be selected from each of the following geographic areas of the state, as defined by department rule:

- (1) Gulf Coast area;
- (2) Trans-Pecos area;
- (3) Central Texas area;
- (4) Northeast Texas area; and
- (5) Panhandle-South Plains area.

SECTION 3. Subchapter F, Chapter 1901, Occupations Code, is amended by adding Section 1901.256 to read as follows:

Sec. 1901.256. WATER WELL PLUGGING ACCOUNT. (a) The

1 department may assess a fee for each well drilled in an amount  
2 determined by department rule for the purpose of plugging abandoned  
3 or deteriorated wells.

4 (b) The department shall deposit a fee assessed under this  
5 section to the credit of the water well plugging account. The water  
6 well plugging account is an account in the general revenue fund that  
7 may be appropriated to the department only for the purpose of  
8 plugging abandoned or deteriorated wells. The account is exempt  
9 from the application of Section 403.095, Government Code.

10 (c) The account consists of five subaccounts corresponding  
11 to the geographic areas described in Section 1901.101(b). The fee  
12 for each well drilled in a geographic area shall be deposited to the  
13 credit of the subaccount established for that geographic area.  
14 Fees in a subaccount may be used only to pay:

15 (1) the administrative costs of the department;

16 (2) the costs of plugging high priority or hazardous  
17 wells, as defined by department rule, located anywhere in the  
18 state; and

19 (3) the costs of plugging wells, other than high  
20 priority or hazardous wells, located in the geographic service area  
21 for which the subaccount was established.

22 (d) The department may allocate not more than:

23 (1) 20 percent of the money in the account to pay the  
24 administrative costs of the department; and

25 (2) 10 percent of the money in the account to pay the  
26 costs of plugging high priority or hazardous wells.

27 (e) The department may use money in the account to plug an

1 abandoned or deteriorated well only if the department determines  
2 that the landowner or other person possessing the well:

3 (1) cannot be located; or

4 (2) does not have sufficient assets to plug the well as  
5 determined by criteria established by department rule.

6 (f) The department may transfer money in a subaccount to a  
7 groundwater conservation district to be used by the district to  
8 plug one or more abandoned or deteriorated wells designated by the  
9 department if the department is entitled to use money in that  
10 subaccount to plug those wells. From the money transferred, the  
11 district may allocate not more than \$50 for each well to pay the  
12 district's administrative costs.

13 SECTION 4. The fee authorized by Section 1901.256,  
14 Occupations Code, as added by this Act, applies only to a water well  
15 for which initial drilling operations begin on or after the  
16 effective date of the rules adopted by the Texas Department of  
17 Licensing and Regulation providing for the assessment of the fee.

18 SECTION 5. This Act takes effect immediately if it receives  
19 a vote of two-thirds of all the members elected to each house, as  
20 provided by Section 39, Article III, Texas Constitution. If this  
21 Act does not receive the vote necessary for immediate effect, this  
22 Act takes effect September 1, 2003.