

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION**

**May 9, 2005**

**TO:** Honorable George "Buddy" West, Chair, House Committee on Energy Resources

**FROM:** John S. O'Brien, Deputy Director, Legislative Budget Board

**IN RE: HB2982** by West, George "Buddy" (Relating to the transfer of the regulation of injection wells used for in situ uranium mining or for the disposal of waste from in situ uranium mining from the Texas Commission on Environmental Quality to the Railroad Commission.), **Committee Report 1st House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2982, Committee Report 1st House, Substituted: a negative impact of (\$326,133) through the biennium ending August 31, 2007.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**General Revenue-Related Funds, Five-Year Impact:**

| Fiscal Year | Probable Net Positive/(Negative)<br>Impact to General Revenue Related<br>Funds |
|-------------|--|
| 2006        | (\$269,351)  |
| 2007        | (\$56,782)   |
| 2008        | \$0  |
| 2009        | \$0  |
| 2010        | \$0  |

**All Funds, Five-Year Impact:**

| Fiscal Year | Probable Savings/(Cost) from<br><i>GENERAL REVENUE FUND</i><br>1 | Change in Number of State Employees<br>from FY 2005 |
|-------------|--|---|
| 2006        | (\$269,351)  | 2.0   |
| 2007        | (\$56,782)   | 1.0   |
| 2008        | \$0  | 0.0   |
| 2009        | \$0  | 0.0   |
| 2010        | \$0  | 0.0   |

**Fiscal Analysis**

The bill would transfer from the Texas Commission on Environmental Quality (TCEQ) to the Railroad Commission regulation of injection wells used for in-situ uranium mining and injection wells used for disposal of in situ uranium mining waste. The bill also would authorize the Railroad Commission to issue permits for injection wells used for in situ uranium mining and injection wells used for disposal of in situ uranium mining waste.

The bill would require the RRC to issue a substitute permit under the name and authority of the Railroad Commission to each person who on September 1, 2005, holds a permit issued by TCEQ for an injection well used for in situ uranium mining and disposal of in situ uranium mining waste.

## **Methodology**

The transfer of the regulation of injection wells from the TCEQ to the Railroad Commission in itself would have no significant fiscal implications to the Railroad Commission. However, since the bill would require the Railroad Commission to re-issue all permits related for the disposal of waste from in situ uranium mining in injection wells, there would be costs for the first two years of implementation. The Railroad Commission expects one-time costs of \$111,600 in fiscal year 2006 for mainframe computer programming changes. Two (2) additional FTEs would be needed in fiscal year 2006 and one additional FTE in fiscal year 2007, along with related costs, to complete re-issuance of permits.

## **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 455 Railroad Commission

**LBB Staff:** JOB, WK, ZS, TL