

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 29, 2009

TO: Honorable Allan Ritter, Chair, House Committee on Natural Resources

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

IN RE: HB569 by Miller, Sid (Relating to notice of an application for a permit to dispose of oil and gas waste in a commercial disposal well; creating an offense.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would establish public notice requirements in connection with the Railroad Commission (RRC) commercial oil and gas waste disposal injection well permit applications. The RRC would be required to establish requirements, by rule, for commercial injection well disposal of oil and gas waste that public notice be given to adjoining surface tract owners, the commissioners court of the county in which the well is located, and any groundwater conservation district in which the well is located. The rules would also require that the owners of surface tracts who receive notice to provide notice to each surface lessee or purchaser, and the rules would also provide that the applicant publish notice in a newspaper of general circulation in the county and the newspaper that is published closest to the proposed injection well. Each person who receives such notice an opportunity could request a public hearing on the application.

The Railroad Commission reports that the bill's passage would result in increasee application requirements and the amount of time required to process an application for a commercial disposal well. Although the bill would add administrative duties to the RRC to handle additional review and processing of paperwork that would be associated with the additional notification requirements added by the bill, this estimate assumes that any related costs could be absorbed using existing agency resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 455 Railroad Commission, 582 Commission on Environmental Quality

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