

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 30, 2009

TO: Honorable Jim Keffer, Chair, House Committee on Energy Resources

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

IN RE: HB1420 by Orr (Relating to the regulation by the Railroad Commission of Texas of the transportation of drilling mud; providing an administrative penalty.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would require that the Railroad Commission (RRC) adopt a rule that requires a waste hauler that hauls drilling mud to equip and maintain the vehicle in a manner that prevents the drilling mud from escaping from, or being deposited on a public road or highway by, the vehicle. The bill also would authorize the RRC to assess administrative penalties against a person who violates this prohibition.

The bill would bring a new group of people, drilling mud transporters, under the RRC's jurisdiction. However, the RRC estimates there to be only 15 violations per year that the agency would be required to enforce, and thus does not expect the bill to have a significant effect on agency operations.

Local Government Impact

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

Source Agencies: 455 Railroad Commission

LBB Staff: JOB, WK, TL