

1-1 By: Hegar S.B. No. 1296
1-2 (In the Senate - Filed March 8, 2011; March 16, 2011, read
1-3 first time and referred to Committee on Natural Resources;
1-4 April 13, 2011, reported favorably by the following vote: Yeas 10,
1-5 Nays 0; April 13, 2011, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the use of proceeds of bonds and other financial
1-9 security filed with the Railroad Commission of Texas by certain
1-10 persons under the jurisdiction of the commission and deposited in
1-11 the oil-field cleanup fund.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Section 91.108, Natural Resources Code, is
1-14 amended to read as follows:

1-15 Sec. 91.108. DEPOSIT AND USE OF FUNDS. Subject to the
1-16 refund provisions of Section 91.1091, if applicable, proceeds from
1-17 bonds and other financial security required pursuant to this
1-18 chapter and benefits under well-specific plugging insurance
1-19 policies described by Section 91.104(c) that are paid to the state
1-20 as contingent beneficiary of the policies shall be deposited in the
1-21 oil-field cleanup fund and, notwithstanding Sections 91.112 and
1-22 91.113, may be used only for actual well plugging and surface
1-23 remediation or to pay an administrative penalty imposed by the
1-24 commission under this title that a person has failed to pay before
1-25 the penalty is due.

1-26 SECTION 2. This Act takes effect September 1, 2011.

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