

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 25, 2011

TO: Honorable Troy Fraser, Chair, Senate Committee on Natural Resources

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

IN RE: SB105 by Davis (Relating to a restriction on the formation in which certain commercial disposal wells permitted by the Railroad Commission of Texas may inject oil and gas waste.),
As Introduced

No significant fiscal implication to the State is anticipated.

The bill would provide that a permit issued by the Railroad Commission for a commercial disposal well that authorizes the disposal of oil and gas waste may authorize the disposal of the waste only in the Ellenberger formation or a deeper formation. These provisions would only apply to a disposal well proposed to be located in a county that is located wholly or partly above a hydrocarbon-producing geological formation that underlies all or part of two counties that are adjacent to one another; and each of which has a population of more than 1.4 million (Dallas and Tarrant Counties).

Passage of the bill would only require minor rulemaking by the Railroad Commission, and is not expected to result in significant costs to the agency.

Local Government Impact

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

Source Agencies: 455 Railroad Commission

LBB Staff: JOB, SZ, TL