

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

May 21, 2013

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2982 by Keffer (Relating to the power of the Railroad Commission of Texas to adopt and enforce safety standards applicable to the transportation by pipeline of hazardous liquids, carbon dioxide, and natural gas in rural locations.), **As Passed 2nd House**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would provide rules adopted by the Railroad Commission that apply to the intrastate transportation of hazardous liquids and carbon dioxide by gathering pipelines in rural locations and intrastate hazardous liquid and carbon dioxide gathering pipeline facilities in rural locations be based on risks the transportation and the facilities present to the public safety. The bill would also authorize the Railroad Commission to establish safety standards for gathering facilities and transportation activities in certain locations to the extent the rules would be consistent with federal law and as necessary to maintain the maximum degree of federal program delegation.

The bill would require the Railroad Commission to adopt rules to require that an application for a permit to drill an oil or gas well include an affirmation as to whether or not the well is located inside of or within 50 yards of an easement held by Texas Department of Transportation (TxDOT). The Railroad Commission would be required to notify TxDOT within 14 days of receipt of an application for a permit to drill located inside of or within 50 yards of an easement held by TxDOT. The bill explicitly states that no authority would be provided to TxDOT with regard to the approval of an application for a permit to drill an oil or gas well.

Passage of the bill is not expected to result in a significant fiscal impact to the Railroad Commission or to TxDOT.

Local Government Impact

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

Source Agencies: 455 Railroad Commission, 601 Department of Transportation

LBB Staff: UP, SZ, TL