

Amend CSHB 40 (house committee report), page 3, SECTION 2 (c)(1) by inserting in line 53 the phrase "requires insurance, bonds or other financial security regardless of the depth of the covered occurrence". Appropriately renumber Section 2(c).

(c) The authority of a municipality or other political subdivision to regulate an oil and gas operation is expressly preempted, except that a municipality may enact, amend, or enforce an ordinance or other measure that:

(1) requires insurance, bonds or other financial security regardless of the depth of the covered occurrence; or

(12) regulates only aboveground activity related to an oil and gas operation that occurs at or above the surface of the ground, including a regulation governing fire and emergency response, traffic, lights, or noise, or imposing notice or reasonable setback requirements;

(23) is commercially reasonable;

(34) does not effectively prohibit an oil and gas operation conducted by a reasonably prudent operator; and

(45) is not otherwise preempted by state or federal law.