

By: Paddie

H.B. No. 4044

A BILL TO BE ENTITLED

AN ACT

relating to the imposition of a fee on a holder of a permit for an oil and gas waste disposal well.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter C, Chapter 27, Water Code, is amended by adding Section 27.037 to read as follows:

Sec. 27.037. FEE ON HOLDER OF PERMIT FOR OIL AND GAS WASTE DISPOSAL WELL. (a) A fee is imposed on a holder of a permit for an oil and gas waste disposal well. The amount of the fee is 20 cents for each barrel of 42 standard gallons of oil and gas waste delivered to the well for injection in the well if the waste was produced from a well that is not located in:

(1) the disposal district in which the disposal well is located; or

(2) a disposal district adjacent to the disposal district in which the disposal well is located.

(b) A holder of a permit for an oil and gas waste disposal well shall collect the fee imposed under this section from the generator of the waste and remit the fee to the comptroller.

(c) The comptroller shall:

(1) deposit 25 percent of the proceeds from the fees collected under this section to the credit of the oil and gas regulation and cleanup fund as provided by Section 81.067, Natural Resources Code; and

1 (2) send 75 percent of the proceeds from the fees
2 collected under this section to the counties of this state, with
3 each county receiving an amount determined according to the ratio
4 of the amount of fees collected in connection with oil and gas waste
5 delivered to disposal wells in the county to the total amount of
6 fees collected under this section.

7 (d) The comptroller shall send the amount due each county
8 under Subsection (d)(2) to the county treasurer or officer
9 performing the function of that office at least twice each state
10 fiscal year.

11 (e) The county treasurer or officer shall deposit amounts
12 received under this section to the credit of the county road and
13 bridge fund. Money deposited to the credit of that fund under this
14 subsection may be used only for a purpose authorized by Section
15 256.001(a), Transportation Code.

16 (f) The comptroller by rule shall prescribe the manner in
17 which the fee imposed under this section is administered,
18 collected, and enforced.

19 (g) The railroad commission by rule may divide the state
20 into disposal districts for purposes of administering Subsection
21 (a). For purposes of Subsection (a), the railroad commission's oil
22 and gas division districts are the disposal districts until the
23 railroad commission by rule establishes disposal districts under
24 this subsection.

25 (h) The railroad commission by rule may provide for one or
26 more exemptions from the fee prescribed by this section.

27 SECTION 2. Section [81.067\(c\)](#), Natural Resources Code, is

1 amended to read as follows:

2 (c) The fund consists of:

3 (1) proceeds from bonds and other financial security
4 required by this chapter and benefits under well-specific plugging
5 insurance policies described by Section 91.104(c) that are paid to
6 the state as contingent beneficiary of the policies, subject to the
7 refund provisions of Section 91.1091, if applicable;

8 (2) private contributions, including contributions
9 made under Section 89.084;

10 (3) expenses collected under Section 89.083;

11 (4) fees imposed under Section 85.2021;

12 (5) costs recovered under Section 91.457 or 91.459;

13 (6) proceeds collected under Sections 89.085 and
14 91.115;

15 (7) interest earned on the funds deposited in the
16 fund;

17 (8) oil and gas waste hauler permit application fees
18 collected under Section 29.015, Water Code;

19 (9) costs recovered under Section 91.113(f);

20 (10) hazardous oil and gas waste generation fees
21 collected under Section 91.605;

22 (11) oil-field cleanup regulatory fees on oil
23 collected under Section 81.116;

24 (12) oil-field cleanup regulatory fees on gas
25 collected under Section 81.117;

26 (13) fees for a reissued certificate collected under
27 Section 91.707;

- 1 (14) fees collected under Section 91.1013;
- 2 (15) fees collected under Section 89.088;
- 3 (16) fees collected under Section 91.142;
- 4 (17) fees collected under Section 91.654;
- 5 (18) costs recovered under Sections 91.656 and 91.657;
- 6 (19) two-thirds of the fees collected under Section
- 7 81.0521;
- 8 (20) fees collected under Sections 89.024 and 89.026;
- 9 (21) legislative appropriations;
- 10 (22) any surcharges collected under Section 81.070;
- 11 [~~and~~]
- 12 (23) fees collected under Section 91.0115; and
- 13 (24) fees collected under Section 27.037, Water Code.

14 SECTION 3. The comptroller shall adopt rules as necessary
15 to implement Section 27.037, Water Code, as added by this Act, not
16 later than December 1, 2015.

17 SECTION 4. This Act takes effect September 1, 2015.