

By: Zaffirini

S.B. No. 1975

A BILL TO BE ENTITLED

AN ACT

relating to a study of the economic cost of significant oil and gas activity in rural areas of the state.

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

SECTION 1. Chapter 403, Government Code, is amended by adding Subchapter R to read as follows:

SUBCHAPTER R. STUDY OF ECONOMIC COST OF SIGNIFICANT OIL AND GAS ACTIVITY IN RURAL AREAS.

Sec. 403.601. DEFINITIONS. In this subchapter:

(1) "Rural county" means a county with a population of less than 50,000.

(2) "Significant oil and gas activity" means oil and gas operations, including development, production, and waste disposal, associated with a recognized oil and gas play that in total is producing more than 500,000 barrels of oil per day or two billion cubic feet of natural gas per day.

(3) "Rural area" means an area located in a rural county, or contiguous with a rural county, where significant oil and gas activity is occurring.

Sec. 403.602. STUDY OF ECONOMIC COST OF SIGNIFICANT OIL AND GAS ACTIVITY IN RURAL AREAS. (a) The comptroller, in conjunction with the Texas Railroad Commission, the Texas Department of Transportation, the Texas Workforce Commission, the Texas Education Agency, the Texas Higher Education Coordinating Board,

1 and the Texas Health and Human Services Commission, shall conduct a  
2 study on the economic cost of significant oil and gas activity in  
3 rural areas of the state.

4 (b) In conducting the study, the comptroller shall:

5 (1) analyze the amount of local government and state  
6 revenues generated by the activity;

7 (2) analyze the need for increased services or  
8 infrastructure development related to the activity, including:

9 (i) state and county roads;

10 (ii) healthcare facilities and workforce;

11 (iii) housing;

12 (iv) police, fire, and emergency medical  
13 services; and

14 (v) public and higher education.

15 (3) assess whether revenues generated by the activity  
16 at the local level are adequate to address the needs analyzed in  
17 subsection (b)(2);

18 (c) The comptroller shall submit a report on the study to  
19 the legislature not later than December 1, 2016. The report must  
20 include a summary of the information resulting from the study and  
21 recommendations for changes in law or appropriations necessary to  
22 address shortfalls in needed public services and infrastructure  
23 development.

24 Sec. 403.603. EXPIRATION. This subchapter expires  
25 September 1, 2017.

26 SECTION 2. This Act takes effect immediately if it receives  
27 a vote of two-thirds of all the members elected to each house, as

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1 provided by Section 39, Article III, Texas Constitution. If this  
2 Act does not receive the vote necessary for immediate effect, this  
3 Act takes effect September 1, 2015.