

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**May 4, 2017**

**TO:** Honorable Drew Darby, Chair, House Committee on Energy Resources

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** SB1541 by Estes (relating to the treatment and recycling for beneficial use of drill cuttings.), **Committee Report 2nd House, Substituted**

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Natural Resources Code to create a definition for the term "treatment" in Chapter 123, Treatment and Recycling for Beneficial Use of Drill Cuttings. The bill would also define when a drill cutting is considered to be beneficial. The Railroad Commission would be required to adopt criteria to ensure that a beneficial use of recycled drill cuttings is at least as protective of public health and the environment as the use of an equivalent product made without recycled drill cuttings.

Based on the analysis of the Railroad Commission, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

**Local Government Impact**

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

**Source Agencies:** 455 Railroad Commission, 582 Commission on Environmental Quality

**LBB Staff:** UP, SZ, MW, PBO