

By: Geren

H.B. No. 2676

A BILL TO BE ENTITLED

AN ACT

relating to the composition and use of money in the oil and gas regulation and cleanup fund.

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

SECTION 1. Section 81.0531(e), Natural Resources Code, is amended to read as follows:

(e) A penalty collected under this section shall be deposited to the credit of the oil and gas regulation and ~~oil-field~~ cleanup fund.

SECTION 2. Section 81.067(c), Natural Resources Code, as amended by Chapters 57 (H.B. 1818), 72 (S.B. 1422), and 324 (S.B. 1488), Acts of the 85th Legislature, Regular Session, 2017, is reenacted and amended to read as follows:

(c) The fund consists of:

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

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

(3) expenses collected under Section 89.083;

(4) fees imposed under Section 85.2021;

(5) costs recovered under Section 91.457 or 91.459;

- 1 (6) proceeds collected under Sections 89.085 and
2 91.115;
- 3 (7) interest earned on the funds deposited in the
4 fund;
- 5 (8) oil and gas waste hauler permit application fees
6 collected under Section 29.015, Water Code;
- 7 (9) costs recovered under Section 91.113(f);
- 8 (10) hazardous oil and gas waste generation fees
9 collected under Section 91.605;
- 10 (11) oil-field cleanup regulatory fees on oil
11 collected under Section 81.116;
- 12 (12) oil-field cleanup regulatory fees on gas
13 collected under Section 81.117;
- 14 (13) fees for a reissued certificate collected under
15 Section 91.707;
- 16 (14) fees collected under Section 91.1013;
- 17 (15) fees collected under Section 89.088;
- 18 (16) fees collected under Section 91.142;
- 19 (17) fees collected under Section 91.654;
- 20 (18) costs recovered under Sections 91.656 and 91.657;
- 21 (19) fees collected under Section 81.0521;
- 22 (20) fees collected under Sections 89.024 and 89.026;
- 23 (21) legislative appropriations;
- 24 (22) any surcharges collected under Section 81.070;
- 25 (23) fees collected under Section 91.0115;
- 26 (24) fees collected under Subchapter E, Chapter 121,
27 Utilities Code;

- 1 (25) fees collected under Section [27.0321](#), Water Code;
2 ~~[and]~~
3 (26) fees collected under Section [81.071](#);
4 (27) [~~26~~] money collected under Section [81.021](#);
5 (28) penalties collected under Section [81.0531](#);
6 (29) taxes collected under Chapter [122](#), Utilities
7 Code; and
8 (30) penalties and interest collected under
9 Subchapter E, Chapter [122](#), Utilities Code.

10 SECTION 3. Effective September 1, 2031, Section [81.067](#)(c),
11 Natural Resources Code, as amended by Chapters 57 (H.B. 1818), 72
12 (S.B. 1422), and 324 (S.B. 1488), Acts of the 85th Legislature,
13 Regular Session, 2017, is reenacted and amended to read as follows:

- 14 (c) The fund consists of:
- 15 (1) proceeds from bonds and other financial security
16 required by this chapter and benefits under well-specific plugging
17 insurance policies described by Section [91.104](#)(c) that are paid to
18 the state as contingent beneficiary of the policies, subject to the
19 refund provisions of Section [91.1091](#), if applicable;
- 20 (2) private contributions, including contributions
21 made under Section [89.084](#);
- 22 (3) expenses collected under Section [89.083](#);
- 23 (4) fees imposed under Section [85.2021](#);
- 24 (5) costs recovered under Section [91.457](#) or [91.459](#);
- 25 (6) proceeds collected under Sections [89.085](#) and
26 [91.115](#);
- 27 (7) interest earned on the funds deposited in the

- 1 fund;
- 2 (8) oil and gas waste hauler permit application fees
3 collected under Section 29.015, Water Code;
- 4 (9) costs recovered under Section 91.113(f);
- 5 (10) hazardous oil and gas waste generation fees
6 collected under Section 91.605;
- 7 (11) oil-field cleanup regulatory fees on oil
8 collected under Section 81.116;
- 9 (12) oil-field cleanup regulatory fees on gas
10 collected under Section 81.117;
- 11 (13) fees for a reissued certificate collected under
12 Section 91.707;
- 13 (14) fees collected under Section 91.1013;
- 14 (15) fees collected under Section 89.088;
- 15 (16) fees collected under Section 91.142;
- 16 (17) fees collected under Section 91.654;
- 17 (18) costs recovered under Sections 91.656 and 91.657;
- 18 (19) fees collected under Section 81.0521;
- 19 (20) fees collected under Sections 89.024 and 89.026;
- 20 (21) legislative appropriations;
- 21 (22) any surcharges collected under Section 81.070;
- 22 (23) fees collected under Section 91.0115;
- 23 (24) fees collected under Subchapter E, Chapter 121,
24 Utilities Code;
- 25 (25) fees collected under Section 27.0321, Water Code;
- 26 [~~and~~]
- 27 (26) fees collected under Section 81.071;

1 (27) [26] money collected under Section 81.021; and

2 (28) penalties collected under Section 81.0531.

3 SECTION 4. Section 81.068, Natural Resources Code, is
4 amended to read as follows:

5 Sec. 81.068. PURPOSES OF OIL AND GAS REGULATION AND CLEANUP
6 FUND. Money in the oil and gas regulation and cleanup fund may be
7 used by the commission or its employees or agents for any purpose
8 related to the regulation of oil and gas development, including oil
9 and gas monitoring and inspections, oil and gas remediation, and
10 oil and gas well plugging, the study and evaluation of electronic
11 access to geologic data and surface casing depths necessary to
12 protect usable groundwater in this state, alternative fuels
13 regulatory programs related to liquefied petroleum gas, compressed
14 natural gas, and liquefied natural gas safety, the administration
15 of pipeline safety and regulatory programs, public information and
16 services related to those activities, the regulation of the rates
17 and services of gas utilities, the administration of surface mining
18 regulatory programs, and administrative costs and state benefits
19 for personnel involved in those activities.

20 SECTION 5. Section 81.116(d), Natural Resources Code, is
21 amended to read as follows:

22 (d) [~~The comptroller shall suspend collection of the fee in~~
23 ~~the manner provided by Section 81.067.~~] The exemptions and
24 reductions set out in Sections 202.052, 202.054, 202.056, 202.057,
25 202.059, and 202.060, Tax Code, do not affect the fee imposed by
26 this section.

27 SECTION 6. Section 81.117(d), Natural Resources Code, is

1 amended to read as follows:

2 (d) [~~The comptroller shall suspend collection of the fee in~~
3 ~~the manner provided by Section 81.067.~~] The exemptions and
4 reductions set out in Sections 201.053, 201.057, 201.058, and
5 202.060, Tax Code, do not affect the fee imposed by this section.

6 SECTION 7. Subchapter C, Chapter 122, Utilities Code, is
7 amended by adding Section 122.1035 to read as follows:

8 Sec. 122.1035. DEPOSIT OF TAX. A tax collected under this
9 chapter shall be deposited to the credit of the oil and gas
10 regulation and cleanup fund. This section expires September 1,
11 2031.

12 SECTION 8. Subchapter E, Chapter 122, Utilities Code, is
13 amended by adding Section 122.206 to read as follows:

14 Sec. 122.206. DEPOSIT OF PENALTIES AND INTEREST. Penalties
15 and interest collected under this subchapter shall be deposited to
16 the credit of the oil and gas regulation and cleanup fund. This
17 section expires September 1, 2031.

18 SECTION 9. Section 81.067(b), Natural Resources Code, is
19 repealed.

20 SECTION 10. To the extent of any conflict, this Act prevails
21 over another Act of the 86th Legislature, Regular Session, 2019,
22 relating to nonsubstantive additions to and corrections in enacted
23 codes.

24 SECTION 11. Except as otherwise provided by this Act, this
25 Act takes effect September 1, 2019.