

1-1 By: Darby, Geren, Larson H.B. No. 3246  
 1-2 (Senate Sponsor - Hancock)  
 1-3 (In the Senate - Received from the House April 16, 2019;  
 1-4 April 17, 2019, read first time and referred to Committee on  
 1-5 Natural Resources & Economic Development; May 3, 2019, reported  
 1-6 favorably by the following vote: Yeas 11, Nays 0; May 3, 2019, sent  
 1-7 to printer.)

1-8 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-9				
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			
1-18	X			
1-19	X			
1-20	X			

1-21 A BILL TO BE ENTITLED  
 1-22 AN ACT

1-23 relating to the treatment and recycling for beneficial use of  
 1-24 certain waste arising out of or incidental to the drilling for or  
 1-25 production of oil or gas.

1-26 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-27 SECTION 1. Section 122.002, Natural Resources Code, is  
 1-28 amended to read as follows:

1-29 Sec. 122.002. OWNERSHIP OF FLUID OIL AND GAS WASTE  
 1-30 TRANSFERRED FOR TREATMENT AND SUBSEQUENT BENEFICIAL USE. Unless  
 1-31 otherwise expressly provided by an oil or gas lease, a surface use  
 1-32 agreement, a contract, a bill of sale, or another ~~other~~ legally  
 1-33 binding document:

1-34 (1) when fluid oil and gas waste is produced and used  
 1-35 by or transferred to a person who takes possession of that waste for  
 1-36 the purpose of treating the waste for a subsequent beneficial use,  
 1-37 the waste ~~[transferred material]~~ is considered to be the property  
 1-38 of the person who takes possession of it for the purpose of treating  
 1-39 the waste for subsequent beneficial use until the person transfers  
 1-40 the waste or treated waste to another person for disposal or use;  
 1-41 and

1-42 (2) when a person who takes possession of fluid oil and  
 1-43 gas waste for the purpose of treating the waste for a subsequent  
 1-44 beneficial use transfers possession of the treated product or any  
 1-45 treatment byproduct to another person for the purpose of subsequent  
 1-46 disposal or beneficial use, the transferred product or byproduct is  
 1-47 considered to be the property of the person to whom the material is  
 1-48 transferred.

1-49 SECTION 2. This Act takes effect September 1, 2019.

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