

# SENATE AMENDMENTS

## 2<sup>nd</sup> Printing

By: Darby, Morales of Maverick

H.B. No. 2847

### A BILL TO BE ENTITLED

#### AN ACT

relating to the jurisdiction of the Railroad Commission of Texas over and a study of the production, pipeline transportation, and storage of hydrogen.

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

SECTION 1. Section 81.051(a), Natural Resources Code, is amended to read as follows:

(a) The commission has jurisdiction over all:

(1) common carrier pipelines defined in Section 111.002 of this code in Texas;

(2) oil and gas wells in Texas;

(3) persons owning or operating pipelines in Texas;

~~[and]~~

(4) persons owning or engaged in drilling or operating oil or gas wells in Texas; and

(5) pipeline transportation and underground storage of hydrogen.

SECTION 2. Subchapter C, Chapter 81, Natural Resources Code, is amended by adding Section 81.075 to read as follows:

Sec. 81.075. TEXAS HYDROGEN PRODUCTION POLICY COUNCIL. (a) In this section, "council" means the Texas hydrogen production policy council.

(b) The Texas hydrogen production policy council is established within the commission to study and make recommendations

1 relating to the commission's policy framework for hydrogen energy  
2 development.

3 (c) The council is composed of:

4 (1) the chair of the commission or the chair's  
5 designee; and

6 (2) not more than 11 members appointed by the  
7 commission to represent as many different types of participants as  
8 possible, including at least three representatives from the  
9 hydrogen industry.

10 (d) The commissioner or the commissioner's designee is the  
11 chair of the council.

12 (e) A member of the council is not entitled to compensation  
13 or reimbursement of expenses for service on the council.

14 (f) The council:

15 (1) shall study the development of hydrogen industries  
16 in this state, including the development of facilities for the  
17 production, pipeline transportation, and storage of hydrogen;

18 (2) shall monitor regional efforts for the application  
19 and development of a regional clean hydrogen hub authorized under  
20 the Infrastructure Investment and Jobs Act (Pub. L. No. 117-58) or  
21 another federal act;

22 (3) may coordinate actions with other state agencies  
23 in supporting an application for a regional clean hydrogen hub  
24 described by Subdivision (2); and

25 (4) shall develop a state plan for hydrogen production  
26 oversight by the commission.

27 (g) The council may make recommendations relating to

1 commission rules needed for the oversight and regulation of  
2 production, pipeline transportation, and storage of hydrogen.

3 (h) The council is abolished and this section expires on  
4 January 1, 2030.

5 SECTION 3. This Act takes effect September 1, 2023.

By: [Signature]  
Substitute the following for H.B. No. 2847:  
By: [Signature]

ADOPTED

MAY 11 2023  
H.B. No. 2847  
Latoy  
Secretary of the Senate  
C.S. H.B. No. 2847

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Sec. 81.075. TEXAS HYDROGEN PRODUCTION POLICY COUNCIL. (a)  
In this section, "council" means the Texas hydrogen production policy council.

(b) The Texas hydrogen production policy council is established within the commission to study and make recommendations

1 relating to the commission's policy framework for hydrogen energy  
2 development.

3 (c) The council is composed of:

4 (1) the chair of the commission or the chair's  
5 designee; and

6 (2) not more than 11 members appointed by the  
7 commission to represent as many different types of participants as  
8 possible, including at least three but not more than five  
9 representatives from the hydrogen industry.

10 (d) The commissioner or the commissioner's designee is the  
11 chair of the council.

12 (e) A member of the council is not entitled to compensation  
13 or reimbursement of expenses for service on the council.

14 (f) The council:

15 (1) shall study the development of hydrogen industries  
16 in this state, including the development of facilities for the  
17 production, pipeline transportation, and storage of hydrogen;

18 (2) shall monitor regional efforts for the application  
19 and development of a regional clean hydrogen hub authorized under  
20 the Infrastructure Investment and Jobs Act (Pub. L. No. 117-58) or  
21 another federal act;

22 (3) may coordinate actions with other state agencies  
23 in supporting an application for a regional clean hydrogen hub  
24 described by Subdivision (2); and

25 (4) shall develop a state plan for hydrogen production  
26 oversight by the commission.

27 (g) The council shall make recommendations to the

1 legislature relating to legislative changes needed for the  
2 oversight and regulation of production, pipeline transportation,  
3 and storage of hydrogen.

4 (h) The council is abolished and this section expires on  
5 January 1, 2030.

6 SECTION 3. This Act takes effect September 1, 2023.

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

**FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION**

**May 22, 2023**

**TO:** Honorable Dade Phelan, Speaker of the House, House of Representatives

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB2847** by Darby (Relating to the jurisdiction of the Railroad Commission of Texas over and a study of the production, pipeline transportation, and storage of hydrogen.), **As Passed 2nd House**

|   |
|---|
| <b>No significant fiscal implication to the State is anticipated.</b> |
|---|

It is assumed that any costs associated with the bill could be absorbed using existing resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 455 Railroad Commission

**LBB Staff:** JMc, SD, MOc, EJ, AF, MW

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION**

**May 18, 2023**

**TO:** Honorable Brian Birdwell, Chair, Senate Committee on Natural Resources & Economic Development

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB2847** by Darby (Relating to the jurisdiction of the Railroad Commission of Texas over and a study of the production, pipeline transportation, and storage of hydrogen.), **Committee Report 2nd House, Substituted**

|   |
|---|
| <b>No significant fiscal implication to the State is anticipated.</b> |
|---|

It is assumed that any costs associated with the bill could be absorbed using existing resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 455 Railroad Commission

**LBB Staff:** JMc, MOc, EJ, AF, MW



**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION**

**May 15, 2023**

**TO:** Honorable Brian Birdwell, Chair, Senate Committee on Natural Resources & Economic Development

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB2847** by Darby (Relating to the jurisdiction of the Railroad Commission of Texas over and a study of the production, pipeline transportation, and storage of hydrogen.), **As Engrossed**

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| <p><b>No significant fiscal implication to the State is anticipated.</b></p> |
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**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 455 Railroad Commission

**LBB Staff:** JMc, MOc, AF, EJ, MW

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION**

**April 18, 2023**

**TO:** Honorable Craig Goldman, Chair, House Committee on Energy Resources

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB2847** by Darby (Relating to the jurisdiction of the Railroad Commission of Texas over and a study of the production, pipeline transportation, and storage of hydrogen.), **Committee Report 1st House, Substituted**

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

It is assumed that any costs associated with the bill could be absorbed using existing resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 455 Railroad Commission

**LBB Staff:** JMc, AF, EJ, MW

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION**

**April 2, 2023**

**TO:** Honorable Craig Goldman, Chair, House Committee on Energy Resources

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB2847** by Darby (Relating to the jurisdiction of the Railroad Commission of Texas over and a study of the upstream production, pipeline transportation, and storage of hydrogen.), **As Introduced**

|   |
|---|
| <b>No significant fiscal implication to the State is anticipated.</b> |
|---|

It is assumed that any costs associated with the bill could be absorbed using existing resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 455 Railroad Commission

**LBB Staff:** JMc, AF, MW, EJ