

BILL ANALYSIS

Senate Research Center

S.B. 1147
By: Birdwell
Natural Resources
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Texas joined the Interstate Mining Compact Commission (IMCC) in the 1970s when lignite coal production was on the rise. At the time, the IMCC's advocacy was beneficial for maintaining a voice in federal regulatory matters related to the coal mining industry. However, as emphasis on new coal production in Texas has significantly declined, the state's involvement with the IMCC is no longer as beneficial as it once was.

IMCC membership dues are calculated based on the combined value of coal and non-coal mineral production in a member state. The abundance of non-coal products in Texas, such as aggregates, has continued to drive up membership dues for Texas, despite a decrease in new coal mining. Membership dues have peaked as high as \$50,000 a year, and attempts by the Railroad Commission of Texas (RRC) to negotiate down the cost have been unsuccessful, even though the RRC does not regulate the non-coal products that have driven up membership costs. On top of this, the RRC has determined that membership in alternative associations better aligns with the agency's regulatory engagement.

As the high cost of Texas's IMCC membership no longer proves to outweigh the benefits, S.B. 1147 would withdraw the State of Texas from the IMCC and abolish the statute that authorizes Texas to participate in the compact—in accordance with compact requirements.

S.B. 1147 amends current law relating to the withdrawal of the State of Texas from the Interstate Mining Compact.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Provides that the State of Texas withdraws from the Interstate Mining Compact under Section 132.002 (Text of Compact), Natural Resources Code, as authorized by Article VIII (Entry into Force and Withdrawal) of the compact. Requires the governor, as soon as practicable after the effective date of this Act, to:

(1) provide written notice of the withdrawal to the governor of each state that is a party to the compact as provided by that article; and

(2) publish notice of the withdrawal in the Texas Register.

SECTION 2. Provides that, on the first anniversary of the date the governor publishes notice under Section 1(2) of this Act, the office of the Interstate Mining Compact Commissioner for Texas is abolished, the Texas Mining Council is abolished, and Chapter 132 (Interstate Mining Compact), Natural Resources Code, is repealed.

SECTION 3. Effective date, except as otherwise provided by this Act: upon passage or September 1, 2025.