

Chapter 184

S.B. No. 1541

AN ACT

relating to the treatment and recycling for beneficial use of drill cuttings.

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

SECTION 1. Section 123.001, Natural Resources Code, is amended by adding Subdivision (4) to read as follows:

(4) "Treatment" means a manufacturing, mechanical, thermal, or chemical process other than sizing, shaping, diluting, or sorting.

SECTION 2. Chapter 123, Natural Resources Code, is amended by adding Section 123.0015 to read as follows:

Sec. 123.0015. BENEFICIAL USE. (a) For the purposes of this chapter, a use of drill cuttings is considered to be beneficial if the cuttings are used:

(1) in the construction of oil and gas lease pads or oil and gas lease roads; or

(2) as part of a legitimate commercial product.

(b) The commission by rule shall define "legitimate commercial product" for the purposes of this chapter.

(c) The commission by rule shall adopt criteria for beneficial uses to ensure that a beneficial use of recycled drill cuttings under this chapter is at least as protective of public health, public safety, and the environment as the use of an equivalent product made without recycled drill cuttings.

S.B. No. 1541

1 SECTION 3. Section 123.005, Natural Resources Code, is
2 amended to read as follows:

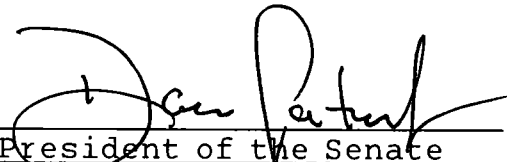
3 Sec. 123.005. COMMISSION RULES, PERMITS, AND ORDERS FOR
4 TREATMENT AND BENEFICIAL USE. (a) The commission shall adopt
5 rules to govern the treatment and beneficial use of drill cuttings.


6 (b) A rule adopted by the commission under this chapter or a
7 permit or order issued by the commission regarding the treatment
8 and beneficial use of drill cuttings must be at least as protective
9 of public health, public safety, and the environment as a rule,
10 permit, or order, respectively, adopted or issued by the commission
11 regarding the disposal of drill cuttings.

12 SECTION 4. This Act takes effect immediately if it receives
13 a vote of two-thirds of all the members elected to each house, as
14 provided by Section 39, Article III, Texas Constitution. If this
15 Act does not receive the vote necessary for immediate effect, this
16 Act takes effect September 1, 2017.

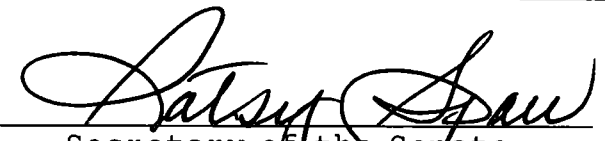
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S.B. No. 1541



President of the Senate


Speaker of the House

I hereby certify that S.B. No. 1541 passed the Senate on April 19, 2017, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 16, 2017, by the following vote: Yeas 30, Nays 0.

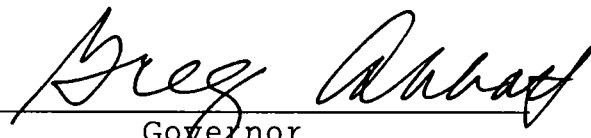

Secretary of the Senate

I hereby certify that S.B. No. 1541 passed the House, with amendment, on May 9, 2017, by the following vote: Yeas 145, Nays 0, two present not voting.

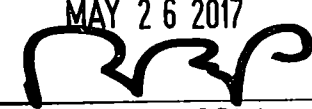

Chief Clerk of the House

Approved:

5-25-2017
Date


Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
7PM O'CLOCK

MAY 26 2017

Secretary of State

**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

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

March 30, 2017

TO: Honorable Craig Estes, Chair, Senate Committee on Natural Resources & Economic Development

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 1st 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.

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

LBB Staff: UP, SZ, MW, PBO

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

March 27, 2017

TO: Honorable Craig Estes, Chair, Senate Committee on Natural Resources & Economic Development

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB1541 by Estes (Relating to the treatment and recycling for beneficial use of drill cuttings.), As Introduced

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