1   A bill to be entitled
2   An act relating to oil and gas drilling;
3   amending s. 377.2425, F.S.; revising surety
4   requirements for drilling permittees; providing
5   an effective date.
6
7   Be It Enacted by the Legislature of the State of Florida:
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9   Section 1. Paragraph (c) is added to subsection (1) of
10   section 377.2425, Florida Statutes, 1996 Supplement, to read:
11   377.2425 Manner of providing security for geophysical
12   exploration, drilling, and production.--
13   (1) Prior to granting a permit to conduct geophysical
14   operations; drilling of exploratory, injection, or production
15   wells; producing oil and gas from a wellhead; or transporting
16   oil and gas through a field-gathering system, the department
17   shall require the applicant or operator to provide surety that
18   these operations will be conducted in a safe and
19   environmentally compatible manner.
20   (c) An applicant for a drilling or operating permit
21   for operations planned in waters of the state or under other
22   particular circumstances that by their nature warrant greater
23   surety shall provide surety only in accordance with paragraph
24   (a), or similar proof of financial responsibility other than
25   as provided in paragraph (b). For all applications under this
26   subsection, and notwithstanding the provisions of paragraph
27   (b), the Governor and Cabinet in their capacity as the
28   Administration Commission shall set the amount of surety
29   required under this subsection, giving special consideration
30   to the extent of possible damages, the cost of clean-up, and
31   the replacement value of natural resources lost to the public.

CODING: Words ~~stricken~~ are deletions; words <u>underlined</u> are additions.

1   Section 2. This act shall take effect upon becoming a

2   law.

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5   SENATE SUMMARY

6   Authorizes the Administration Commission to establish
    surety requirements for oil and gas permit operations in
7   the waters of the state.

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