

Department of Planning and Budget 2010 Fiscal Impact Statement

1. Bill Number: HB1344

House of Origin ☐ Introduced ☒ Substitute ☒ Engrossed
Second House ☒ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Kilgore

3. Committee: Agriculture, Conservation and Natural Resources

4. Title: Coalbed methane gas; conflicting claims of ownership; arbitration.

5. Summary: This bill requires that the Virginia Gas and Oil Board order arbitration to resolve conflicting claims of ownership over coalbed methane upon the request of the claimant as to the ownership of coalbed methane gas. The arbitrator, appointed by the circuit court in accordance with the four requirements set-out by the bill, shall make his determination within six months. After receiving notice of the written determination, fees and expenses of the arbitration, including court costs related to the selection and qualification of the arbitrator and the arbitration process shall be shared equally among the parties. The bill has an enactment clause that requires the Department of Mines, Minerals and Energy to promulgate regulations to implement the provisions of this act within 280 days of its enactment.

6. Fiscal Impact Estimates: Preliminary.

7. Budget Amendment Necessary: No.

8. Fiscal Implications: The Department of Mines, Minerals and Energy (DMME), the state agency responsible for oversight of the Virginia Gas and Oil Board, states that any fiscal impact resulting from this bill can be absorbed by the agency within existing resources.

9. Specific Agency or Political Subdivisions Affected: Virginia Gas and Oil Board, Department of Mines, Minerals and Energy, possibly the Department of Taxation and the Office of the Attorney General, local courts.

10. Technical Amendment Necessary: No.

11. Other Comments: It is unclear how or if the Uniform Disposition of Unclaimed Property Act (§ 55-210.1, et seq., Title 55, Chapter 11.1 of the Code of Virginia) could apply to this bill. This bill is similar to SB376 and HB1179 in that all of the bills deal with conflicting claims of ownership over coalbed methane.

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