

AN ACT

relating to the demonstration of financial assurance by a local government in relation to the operation of a municipal solid waste landfill facility.

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

SECTION 1. Subchapter C, Chapter 361, Health and Safety Code, is amended by adding Section 361.0855 to read as follows:

Sec. 361.0855. DEMONSTRATION OF FINANCIAL ASSURANCE. (a)

In this section:

(1) "Bonds" means financial obligations issued by a local government, including general obligation bonds, revenue bonds, and certificates of obligation.

(2) "Local government" includes:

(A) a local government corporation created under Chapter 431, Transportation Code, to act on behalf of a local government; and

(B) a conservation and reclamation district created under Section 59, Article XVI, Texas Constitution.

(b) Notwithstanding any requirement of the commission for the demonstration of financial assurance, a local government that owns or operates a municipal solid waste landfill facility regulated by this chapter is considered to have satisfied all requirements of the commission for the demonstration of financial assurance in relation to closure, post closure, or corrective

1 action, if the local government:

2 (1) establishes and passes a financial test in
3 accordance with commission rules; and

4 (2) demonstrates that the outstanding bonds of the
5 local government that are not secured by insurance, a letter of
6 credit, or any other collateral or guarantee have a current rating
7 of AAA, AA, A, or BBB as determined by Standard and Poor's or Aaa,
8 Aa, A, or Baa as determined by Moody's.

9 (c) A local government must demonstrate financial assurance
10 under this section:

11 (1) before the date of the initial receipt of waste at
12 the facility; or

13 (2) as soon as practicable if, on the effective date of
14 this section, the facility was in operation and had received waste.

15 SECTION 2. This Act takes effect immediately if it receives
16 a vote of two-thirds of all the members elected to each house, as
17 provided by Section 39, Article III, Texas Constitution. If this
18 Act does not receive the vote necessary for immediate effect, this
19 Act takes effect September 1, 2005.

President of the Senate

Speaker of the House

I certify that H.B. No. 2131 was passed by the House on April 19, 2005, by the following vote: Yeas 142, Nays 0, 1 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 2131 was passed by the Senate on May 10, 2005, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor