

By: Phillips, Hardcastle (Senate Sponsor - Estes) H.B. No. 2131
(In the Senate - Received from the House April 20, 2005;
April 21, 2005, read first time and referred to Committee on
Natural Resources; May 2, 2005, reported favorably by the
following vote: Yeas 9, Nays 0; May 2, 2005, sent to printer.)

A BILL TO BE ENTITLED
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
action, if the local government:

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

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

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

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

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

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

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