

BILL ANALYSIS

C.S.S.B. 1592
By: Hinojosa
Environmental Regulation
Committee Report (Substituted)

BACKGROUND AND PURPOSE

S.B. 1130, passed by the 79th Legislature, required a common carrier or an owner or operator of a pipeline to report pollution observed or detected when in the process of the placement, repair, replacement or maintenance of any pipeline. Upon implementation, a number of problems with the statute were discovered. C.S.S.B. 1592 makes correcting changes to that legislation.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.S.B. 1592 amends the Natural Resources Code to amend the definition of "owner of the land" in provisions relating to contamination reports to the Texas Railroad Commission. The bill provides that these provisions do not apply to contamination that is in proximity to a gathering line or a pipeline that is located entirely within a tract that is subject to an oil or gas lease. The bill requires a common carrier or an owner or operator (owner/operator) of pipeline to report contamination unless they are required to report the contamination under another statute or commission rule. The bill specifies that the owner/operator of a pipeline is required to report contamination that is subsurface. The bill authorizes the owner/operator to report to any owner or occupant of the land on which the pipeline is located. If the owner of the land is not known to the owner/operator, the bill authorizes the owner/operator to report to the first person who is shown on the appraisal roll of the county appraisal district as owning an interest in the surface estate of the land at the time the report is to be made. The bill provides for reporting when the deadline for doing so falls on a weekend or holiday. The bill provides for reporting by mail. The bill provides for soil sampling to be done by a person who has entered into an agreement with the Railroad Commission to collect samples on their behalf, rather than sampling by a person authorized by the Railroad Commission.

The bill reenacts Section 81.056(e), Natural Resources Code, as added by Chapter 339, Acts of the 79th Legislature, Regular Session, 2005, to provide that a common carrier or pipeline owner or operator that makes a contamination report under this section is released from all liability for the contamination or the cleanup of the contamination covered by the report, except for any contamination caused by the common carrier or pipeline owner or operator.

The bill amends the Natural Resources Code and the Utilities Code to add administrative penalties collected under gas pipeline safety provisions of the Utilities Code to the Oil-Field Cleanup Fund.

The bill specifies that provisions of the Act limiting liability are covered by Section 66(c), Article III of the Texas Constitution and requires a three-fifths vote of all members elected to each house.

EFFECTIVE DATE

September 1, 2007.

COMPARISON OF ORIGINAL TO SUBSTITUTE

The substitute amends the Natural Resources Code and the Utilities Code to add administrative penalties collected under gas pipeline safety provisions of the Utilities Code to the Oil-Field Cleanup Fund.

The substitute specifies that the prospective clause of the bill applies to changes made by SECTIONS 1, 2, and 3 of the bill.