

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 11, 2007

TO: Honorable Dennis Bonnen, Chair, House Committee on Environmental Regulation

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1956 by Hancock (Relating to underground storage tank financial responsibility notification requirements and the shutdown of underground storage tank facilities by the Texas Commission on Environmental Quality and the Attorney General for failure to properly maintain financial assurance.), **As Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would require petroleum storage tank (PST) owners/operators to maintain financial responsibility, and it would give the Texas Commission on Environmental Quality (TCEQ) authority to shut down a PST system whose owner or operator does not maintain financial assurance on the system. In addition, insurance policies covering PST systems are mandated to contain provisions that require insurers to notify the agency in writing within 30 days of when a PST system owner/operator ceases to be covered by that insurer. The TCEQ does not anticipate any significant increase in administrative costs as a result of the bill's passage.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 302 Office of the Attorney General, 454 Department of Insurance, 582 Commission on Environmental Quality

LBB Staff: JOB, WK, TL