

## **BILL ANALYSIS**

C.S.H.B. 472  
By: Hilderbran  
Energy Resources  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

S.B. 1130, 79th Legislature, Regular Session, 2005, 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. At that time, the law required a pipeline company to report any leaks or ground contamination caused by its own equipment. However, no law required a company to report contamination caused by another company until S.B. 1130.

C.S.H.B. 472 releases a common carrier or pipeline owner or operator that makes a contamination report 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 authorizes the Railroad Commission to use money in the oil-field cleanup fund to implement provisions relating to a contamination report. The bill limits the amount of money in the fund the commission may use for that purpose to the amount of money in the fund that is derived from certain reporting fees collected from common carriers or owners or operators of pipelines as determined annually by the commission.

### **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.H.B. 472 amends the Natural Resources Code to reenact Section 81.056(e), as added by Chapter 339 (S.B. 1130), Acts of the 79th Legislature, Regular Session, 2005, to release a common carrier or pipeline owner or operator that makes a contamination report under the provisions relating to reporting certain petroleum-based contamination of soil or water 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.

C.S.H.B. 472 authorizes, rather than prohibits, the use of money in the oil-field cleanup fund to implement provisions relating to a contamination report. The bill prohibits the amount of money in the fund the Railroad Commission of Texas may use for that purpose from exceeding the amount of money in the fund that is derived from certain reporting fees collected from common carriers or owners or operators of pipelines as determined annually by the commission. The bill makes a conforming change in a provision relating to the purpose of the oil-field cleanup fund.

### **EFFECTIVE DATE**

September 1, 2009.

### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

C.S.H.B. 472 removes a provision from the original revising the definition of "owner of the land" for purposes of the law regarding a common carrier or pipeline owner or operator reporting contamination. The substitute removes provisions added by the original to make the law relating to a contamination report inapplicable to certain contamination, to address requirements to report under other law, to require reporting of contamination to an owner of land, to address report deadline issues, and to make other clarifying changes to that law. The substitute differs from the original by authorizing, rather than prohibiting, the use of money in the oil-field cleanup fund to implement provisions relating to a contamination report and limiting the amount that may be used, whereas the original repeals the provision prohibiting such use. The substitute adds a provision not in the original to make a conforming change in a provision relating to a contamination report to the law relating to the purpose of the oil-field cleanup fund.