BILL ANALYSIS

Senate Research Center 81R35609 TRH-F C.S.H.B. 1526 By: Crownover et al. (Hinojosa) Natural Resources 5/23/2009 Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas Department of Transportation has begun demanding that operators of certain natural gas pipelines remove their facilities if those pipelines are located longitudinally along highway rights-of-way. As development of new pipeline infrastructure is built, specifically in the Barnett Shale located in Tarrant County and surrounding area, it is important to clearly identify where pipelines may be located in public rights-of-way.

C.S.H.B. 1526 authorizes the placement of pipelines over, under, along, and across public rightsof-way.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter D, Chapter 111, Natural Resources Code, by adding Section 111.0831, as follows:

Sec. 111.0831. AUTHORITY OF CERTAIN COMMON PURCHASERS TO USE PUBLIC RIGHT-OF-WAY FOR PIPELINE. (a) Provides that a common purchaser, as defined by Section 111.081(a)(2) (relating to the definition of "common purchaser"), subject to Section 121.202 (Municipal and County Authority), Utilities Code, and Section 182.025 (Charges by a City), Tax Code, has the right to lay, maintain, and operate a pipeline over, under, across, and along a public road as provided by this chapter only if:

(1) the pipeline complies with all safety regulations adopted by the Railroad Commission of Texas relating to pipeline facilities that are subject to this section; and all applicable state and county regulations regarding the placement of a pipeline facility on a right-of-way, including a regulation on the horizontal placement of the pipeline; and

(2) the common purchaser ensures that the public road and any associated facility is promptly restored to its former condition of usefulness after the installation or maintenance of the pipeline.

(b) Authorizes the Texas Department of Transportation, notwithstanding Section 203.092 (Reimbursement for Relocation of Utility Facilities), Transportation Code, to require the owner or operator of a common purchaser pipeline to relocate the pipeline:

(1) at the expense of the owner or operator of the common purchaser pipeline, if the common purchaser pipeline is located on a right-of-way of the state highway system; or

(2) at the expense of this state, if the common purchaser pipeline is located on property in which the owner or operator of the common purchaser pipeline has a private property interest, or the owner or operator of the common purchaser pipeline is otherwise eligible for reimbursement under the Transportation Code.

(c) Authorizes a municipality to charge a fee to the owner or operator of a common purchaser pipeline for the use of a public road or municipal street or alley maintained by the municipality.

SECTION 2. Effective date: upon passage or September 1, 2009.