

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 22, 2009

TO: Honorable David Dewhurst, Lieutenant Governor, Senate

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

IN RE: SB686 by Davis, Wendy (Relating to the installation, maintenance, or operation of natural gas pipelines on state highways and highway rights-of-way.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would amend the Transportation Code to allow a pipeline facility to lay, maintain, and operate a natural gas pipeline through, under, along, or across a state highway in areas of the state specified by the bill only if the pipeline is subject to the regulation of the Texas Railroad Commission and safety standard requirements; the pipeline complies with all applicable state rules and federal regulations on the accommodation of utility facilities on highway right-of-way; and the highway and associated facilities are promptly restored after the installation or maintenance of the pipeline is complete. The bill would authorize the Texas Department of Transportation (TxDOT) to require a gas utility to relocate a facility at the cost of the utility to accommodate a highway project unless the gas utility has a property interest in the land occupied by the facility to be relocated.

The bill would require a county to permit access below a county road right-of-way for the installation of a temporary water line that does not interfere with existing utilities. The bill would allow a county to regulate the horizontal or vertical location within the right-of-way.

Based on the analysis of the Texas Department of Transportation, it is assumed any additional costs or duties associated with implementing the provisions of the bill could be absorbed within existing resources.

Local Government Impact

Tarrant County reported the provisions of the bill would not have a significant fiscal impact on their county. Tarrant County stated that as long as the proper permits are completed by the drilling contractors, the county does not have a problem with the installation of a temporary water line along their county roads; usually these temporary water lines are installed for only a period of 4 to 5 weeks and there is no charge for filling out a permit.

The fiscal impact to some counties for repairing roads could be significant, but would vary depending on the amount of damage and the number of temporary water lines that are installed.

Source Agencies: 601 Department of Transportation

LBB Staff: JOB, KJG, TG