

By: Davis

S.B. No. 106

A BILL TO BE ENTITLED

AN ACT

relating to condemnation of municipal property for, and municipal regulation of, pipeline operations.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 2206, Government Code, is amended by adding Section 2206.003 to read as follows:

Sec. 2206.003. FORMAL NEGOTIATION PROCEDURES REQUIRED IN CERTAIN CIRCUMSTANCES. (a) A pipeline operator with eminent domain authority that wants to acquire an easement for a public use on real property owned by a municipality shall provide notice to the municipality of the proposed placement of the pipeline and allow time for the municipality to take action under Subsection (b) before filing a condemnation petition under Chapter 21, Property Code.

(b) Not later than the 60th day after the date the pipeline operator notifies the municipality under Subsection (a), the municipality shall:

(1) consent to the pipeline placement; or

(2) suggest a feasible alternative placement for the pipeline based on the municipality's consideration of:

(A) the municipality's comprehensive plan;

(B) corridor development and planning for the area;

(C) transit development and planning for the

1 area; and

2 (D) economic development and planning for the
3 area.

4 (c) A municipality's proposal under Subsection (b)(2) must
5 not unreasonably prevent a pipeline operator from accomplishing the
6 purpose for which the pipeline operator seeks to acquire the
7 property.

8 (d) If a pipeline operator and a municipality are unable to
9 agree on the placement of a pipeline on real property owned by the
10 municipality, the pipeline operator may file a condemnation
11 petition under Chapter 21, Property Code. A municipality that has
12 proposed an alternative placement for the pipeline under Subsection
13 (b) may move that the court determine whether that proposed
14 placement is more reasonable than the placement proposed by the
15 pipeline operator. If the court determines the municipality's
16 proposal is more reasonable than the pipeline operator's proposal,
17 the court shall condition the pipeline operator's acquisition of
18 the property interest on the implementation of the municipality's
19 proposed placement.

20 SECTION 2. Chapter 229, Local Government Code, is amended
21 by adding Section 229.004 to read as follows:

22 Sec. 229.004. REGULATION OF CERTAIN PIPELINE ACTIVITIES. A
23 municipality by ordinance may regulate the placement, inspection,
24 and maintenance of, and construction materials used for, the
25 following items used by a gas pipeline operator and located within
26 the municipality's corporate boundaries:

27 (1) gas pipelines used as gathering lines;

- 1 (2) pumps;
- 2 (3) compressors;
- 3 (4) separators;
- 4 (5) dehydration units; and
- 5 (6) tank batteries.

6 SECTION 3. This Act takes effect September 1, 2011.