

SUBJECT: Responsibility for land leased to local governments by state agencies

COMMITTEE: Land and Resource Management — favorable, without amendment

VOTE: 9 ayes — Walker, Crabb, Bosse, F. Brown, Hardcastle, Howard, Krusee,
Mowery, B. Turner

0 nays

WITNESSES: None

DIGEST: HB 438 would hold local government entities responsible for all costs and liabilities related to their activities on land leased from state agencies or higher education institutions, including environmental liability. This would include counties, municipalities, school districts, hospital districts, housing agencies, or special districts.

The bill would prohibit a state agency from requiring another state agency to hold a permit or co-permit for activities on property owned by the other state agency and leased or used by a local government. The bill would not apply where permits, costs, or liabilities result from a state regulatory program administered in the place of a federal program that has requirements equal or less stringent than the federal program.

The bill would take effect September 1, 1999.

SUPPORTERS SAY: The Texas Natural Resource Conservation Commission (TNRCC) requires state agencies that lease land to local governments to hold a permit or co-permit for any activities on the land conducted by the local government.

For example, some cities in West Texas operate wastewater treatment facilities on land owned by the University of Texas system. Under current law, the University of Texas is liable along with a municipal government for any negligence resulting from the operation of a wastewater facility. The University of Texas must obtain its own insurance to cover this liability.

State agencies should be not liable for local government activities on leased land. The bill would prevent the need for double insurance coverage on the

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same land and would clarify legal responsibilities if accidents occur. The bill would not affect programs that are necessary to comply with federal regulations.

OPPONENTS
SAY: No apparent opposition.