

## **BILL ANALYSIS**

Senate Research Center  
81R18678 SMH-D

H.B. 472  
By: Hilderbran (Hinojosa)  
Natural Resources  
5/11/2009  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Common carriers, and owners and operators of pipelines hesitate to report leaks and evidence of ground contamination for fear of incurring liability.

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 of Texas (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 railroad 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 railroad commission.

H.B. 472 amends current law relating to the effect and implementation of the law regarding reporting by a common carrier or pipeline owner or operator of contamination.

### **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. Reenacts Section 81.056(e), Natural Resources Code, as added by Chapter 339 (S.B. 1130), Acts of the 79th Legislature, Regular Session, 2005, as follows:

(e) Provides that a common carrier or pipeline owner or operator that makes a contamination report under this section is released 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.

SECTION 2. Amends Section 81.056(g), Natural Resources Code, as follows:

(g) Authorizes the Railroad Commission of Texas (railroad commission) to use, rather than prohibits the railroad commission from using, money in the oil-field cleanup fund to implement this section. Prohibits the amount of money in the fund the railroad commission is authorized to use for that purpose from exceeding the amount of money in the fund that is derived from fees collected under Section 91.142 (Report to Commission), from common carriers or owners or operators of pipelines as determined annually by the railroad commission.

SECTION 3. Amends Section 91.112(a), Natural Resources Code, as follows:

(a) Authorizes money in the fund to be used by the railroad commission or its employees or agents for implementing Section 81.056 (Contamination Report), subject to the limitation provided by Subsection (g) of that section. Makes nonsubstantive changes.

SECTION 4. Makes application of this Act prospective.

SECTION 5. Provides that Section 81.056(e), Natural Resources Code, as reenacted by this Act, is an exercise of authority under Section 66(c) (relating to the legislature determining the limit of liability for all damages and losses, however characterized, other than economic damages, in a claim or cause of action), Article III (Legislative Department), Texas Constitution, and takes effect only if this Act receives a vote of three-fifths of all the members elected to each house, as provided by Subsection (e) of that section.

SECTION 6. Effective date: September 1, 2009.