## **BILL ANALYSIS**

Senate Research Center 78R14735 JJT-D H.B. 3442 By: Pickett (Averitt) Finance 5/20/2003 Engrossed

## **DIGEST AND PURPOSE**

Due to the current budget shortfall, state agencies and institutions of higher education were asked to prioritize spending based on core functions and essential services. Legislators looked to these priorities in preparation of the budget; however, certain statutory changes are also needed to conform with appropriations levels in the 2004-05 General Appropriations Act. H.B. 3442 authorizes these statutory changes for the natural resources agencies listed under Article VI of the 2004-05 General Appropriations Act.

## **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Texas Railroad Commission in SECTION 3 (Section 102.006, Utilities Code) of this bill.

## SECTION BY SECTION ANALYSIS

SECTION 1. REDUCTION OF EXPENDITURES AND IMPOSITION OF CHARGES GENERALLY. (a) Provides that this section applies to any state agency that receives an appropriation under Article VI of the General Appropriations Act.

(b) Provides that notwithstanding any other statute of this state, each state agency to which this section applies is authorized to reduce or recover expenditures by taking certain measures.

SECTION 2. TEXAS ANIMAL HEALTH COMMISSION; DUTIES REGARDING RIDING STABLES. (a) Requires the Texas Animal Health Commission to reduce its expenditures of state money related to regulating equine riding stables.

(b) Repealer: Chapter 2053 (Riding Stables), Occupations Code.

SECTION 3. ADMINISTRATIVE HEARINGS OF RAILROAD COMMISSION OF TEXAS. Amends Section 102.006, Utilities Code, as follows:

Sec. 102.006. New heading: ADMINISTRATIVE HEARINGS IN CONTESTED CASES. (a) Requires the railroad commission (RRC) by rule to provide for administrative hearings in contested cases to be conducted by one or more members of the railroad commission, by RRC hearings examiners, or by the utility division of the State Office of Administrative Hearings (SOAH). Requires the rules to provide for a railroad commission hearings examiner or the utility division of SOAH to conduct each hearing in a contested case that is not conducted by one or more RRC members.

(b) Authorizes RRC to delegate to a RRC hearings examiner or to the utility division of SOAH the authority to make a final decision and to issue findings of fact, conclusions of law, and other necessary orders in a proceeding in which there is not a contested issue of fact or law.

(c) Requires RRC by rule to define the procedures by which it delegates final decision-making authority under Subsection (b) to a railroad commission hearings examiner or to the utility division of SOAH.

(d) Provides that for purposes of judicial review, the final decision, rather than administrative law judge's decision, of a railroad commission hearings examiner or an administrative law judge of SOAH in a matter delegated under Subsection(b) has the same effect as a final decision of RRC unless a member of the commission requests formal review of the decision.

(e) Requires SOAH to charge RRC a fixed annual rate for hearings conducted by the office under this section only if the legislature appropriates money for that purpose. Provides that if the legislature does not appropriate money for the payment of a fixed annual rate under this section, SOAH must charge RRC an hourly rate for hearings conducted by the office under this section.

SECTION 4. EFFECTIVE DATE. Effective date: September 1, 2003.