

BILL ANALYSIS

H.B. 1816
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Energy Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The primary function of the Railroad Commission of Texas is to oversee and regulate the Texas oil and gas industry. Currently, the Railroad Commission has limited authority over rail transportation.

In an effort to consolidate relating authority, House Bill 1816 would transfer the powers and duties over railroads to the Texas Department of Transportation.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Department of Transportation in SECTION 2 of this bill.

ANALYSIS

SECTION 1. Power and authority over railroads and all related rail matters are transferred to the Texas Department of Transportation. This transfer applies to railroads, public wharves, docks, piers, warehouses, elevators, sheds, tracks and other property connected with these entities. This includes any owners of or people who repair the mentioned properties. TxDOT may adopt necessary rates and rules to regulate the railroads and to correct abuses and discrimination in charges. Provides that a reference in the law to the Railroad Commission means the Texas Department of Transportation following the effective date of this Act.

SECTION 2. Transfer of powers and duties to take place October 1, 2005. Specifically:

All powers, duties, rights, contracts, leases, records, assets, property, funds, and appropriations of the Railroad Commission that primarily relate to railroads and their regulation are transferred to the Texas Department of Transportation.

All rules, policies, procedures, and decisions of the Railroad Commission relating to the railroads and regulation will be continued under the Dept. of Transportation.

Full-time employees of the RR Commission who predominantly work with railroad regulation become employees of TxDOT.

Any investigation, complaint, or contested case involving railroads and regulation are transferred to TxDOT who assumes the position of the Railroad Commission.

The transfer of the powers and duties of the Railroad Commission pertinent to railroads and their regulation do not affect rights, obligations, liability, contracts, penalties, or other decisions or actions taken by or connected to the Railroad Commission.

EFFECTIVE DATE

Upon passage, of, if the Act does not receive the necessary vote, the Act takes effect September 1, 2005.

