

BILL ANALYSIS

Senate Research Center
79R1836 MTB-F

H.B. 1816
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Transportation & Homeland Security
5/20/2005
Committee Report (Amended)

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Currently, the Railroad Commission of Texas (commission) has four regulatory divisions that oversee the Texas oil and gas industry, gas utilities, safety in the liquefied petroleum gas industry, the surface mining of coal and uranium, and pipeline and rail safety. The division within the commission that deals with railroads has become minute, only dealing with rail safety. The Texas Department of Transportation (TxDOT) on the other hand, plans, constructs, and maintains the railroads in Texas.

H.B. 1816 transfers the remaining rail safety functions from the commission to TxDOT.

RULEMAKING AUTHORITY

Rulemaking authority previously granted to the Railroad Commission of Texas is transferred to the Texas Department of Transportation in SECTION 2 of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Article 6445, Revised Statutes, effective October 1, 2005, as follows:

Art. 6445. POWER AND AUTHORITY. (a) Sets forth that power and authority are hereby conferred upon the Texas Department of Transportation (department), rather than the Railroad Commission of Texas (commission) over all railroads, and suburban, belt and terminal railroads, and over all public wharves, docks, piers, elevators, warehouses, sheds, tracks, and other property used in connection therewith in this state, and over all persons, associations and corporations, private or municipal, owning or operating such railroad, wharf, dock, pier, elevator, warehouse, shed, track, or other property to fix, and it is hereby made the duty of the said department to adopt all necessary rates, charges and regulations, to govern and regulate such railroads, persons, associations and corporations, and to correct abuses and prevent unjust discrimination in the rates, charges and tolls of such railroads, persons, associations and corporations, and to fix division of rates, charges and regulations between railroads and other utilities and common carriers where a division is proper and correct, and to prevent any and all other abuses in the conduct of their business and to do and perform such other duties and details in connection therewith as may be provided by law.

(b) Sets forth that all powers and duties of the commission that relate to railroads and the regulation of railroads are transferred to the department.

(c) Provides that a reference in law to the commission that relates to railroads and the regulation of railroads means the department.

SECTION 2. (a) Sets forth that on October 1, 2005, all powers, duties, obligations, rights, contracts, leases, records, assets, property, funds, and appropriations of the commission that relate primarily to railroads and the regulation of railroads are transferred to the department; all rules, policies, forms, procedures, and decisions of the commission that relate primarily to railroads and the regulation of railroads are continued in effect as rules, policies, forms, procedures, and decisions of the department, until superseded by a rule or other appropriate action of the department; any investigation, complaint, action, contested case, or other proceeding involving the commission that relates primarily to railroads and the regulation of railroads is transferred without change in status to the department, and the department assumes,

without a change in status, the position of the commission in any investigation, complaint, action, contested case, or other proceeding that relates primarily to railroads and the regulation of railroads involving the commission; and all employees of the commission that perform duties relating primarily to railroads and the regulation of railroads become employees of the department.

(b) Provides that the transfer of the powers and duties of the commission that relate primarily to railroads and the regulation of railroads to the department does not affect the validity of a right, privilege, or obligation accrued, a contract or acquisition made, any liability incurred, a permit or license issued, a penalty, forfeiture, or punishment assessed, a rule adopted, a proceeding, investigation, or remedy begun, a decision made, or other action taken by or in connection with the commission.

SECTION 3. Requires the commission, as soon as possible after the effective date of this Act but before October 1, 2005, to determine and report to the department certain information.

SECTION 4. Effective date: upon passage or September 1, 2005, except as provided by Section 1 of this Act.

SUMMARY OF COMMITTEE CHANGES

Committee Amendment No. 1:

Amends H.B. 1816 (engrossed version), as follows:

(1) Strikes SECTION 2 of the bill and renumbers subsequent SECTIONS of the bill as appropriate.

(2) Strikes in SECTION 4 of the bill (page 3, line 27), "provided by SECTION 1 of this Act" and substitute "otherwise provided."

(3) Adds the following appropriately numbered SECTIONS to the bill and renumbers subsequent SECTIONS as appropriate:

SECTION ___. Sets forth legislative finding pertaining to renaming the Railroad Commission of Texas (commission).

SECTION ___. Amends Subchapter A, Chapter 81, Natural Resources Code, by adding Section 81.002, as follows:

Sec. 81.002. TEXAS ENERGY COMMISSION. (a) Renames the commission the Texas Energy Commission.

(b) Provides that, except as provided by Subsection (c), Article 6445, Revised Statutes, a reference in law to the commission means the Texas Energy Commission.

(c) Provides that the Texas Energy Commission is the successor agency to the Railroad Commission of Texas under Section 30(b), Article XVI, Texas Constitutions

SECTION ___. Sets forth provisions for the transfer of the commission's name.