

By: West

H.B. No. 872

A BILL TO BE ENTITLED

AN ACT

relating to the imposition of the pipeline safety annual inspection fee by the Railroad Commission of Texas.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Sections 121.211(d) and (g), Utilities Code, are amended to read as follows:

(d) The commission may assess each operator of a ~~[investor-owned and each municipally owned]~~ natural gas distribution system subject to this chapter an annual inspection fee not to exceed 50 cents for each service line reported by the system on the Distribution Annual Report, Form RSPA F7100.1-1, due on March 15 of each year. The fee is due March 15 of each year.

(g) Each operator of a ~~[investor-owned and municipally owned]~~ natural gas distribution system ~~[company]~~ and each natural gas master meter operator shall recover as a surcharge to its existing rates the amounts paid to the commission under this section. Amounts collected under this subsection by an investor-owned natural gas distribution system or a cooperatively owned natural gas distribution system ~~[company]~~ shall not be included in the revenue or gross receipts of the company for the purpose of calculating municipal franchise fees or any tax imposed under Subchapter B, Chapter 182, Tax Code, or under Chapter 122. Those amounts are not subject to a sales and use tax imposed by Chapter 151, Tax Code, or Subtitle C, Title 3 ~~[Chapters 321 through~~

1 327], Tax Code.

2 SECTION 2. This Act takes effect September 1, 2005.