

1-1 By: West (Senate Sponsor - Armbrister) H.B. No. 872  
1-2 (In the Senate - Received from the House April 7, 2005;  
1-3 April 11, 2005, read first time and referred to Committee on  
1-4 Natural Resources; May 16, 2005, reported favorably by the  
1-5 following vote: Yeas 10, Nays 0; May 16, 2005, sent to printer.)

1-6 A BILL TO BE ENTITLED  
1-7 AN ACT

1-8 relating to the imposition of the pipeline safety annual inspection  
1-9 fee by the Railroad Commission of Texas.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Sections 121.211(d) and (g), Utilities Code, are  
1-12 amended to read as follows:

1-13 (d) The commission may assess each operator of a  
1-14 ~~[investor-owned and each municipally owned]~~ natural gas  
1-15 distribution system subject to this chapter an annual inspection  
1-16 fee not to exceed 50 cents for each service line reported by the  
1-17 system on the Distribution Annual Report, Form RSPA F7100.1-1, due  
1-18 on March 15 of each year. The fee is due March 15 of each year.

1-19 (g) Each operator of a ~~[investor-owned and municipally~~  
1-20 ~~owned]~~ natural gas distribution system ~~[company]~~ and each natural  
1-21 gas master meter operator shall recover as a surcharge to its  
1-22 existing rates the amounts paid to the commission under this  
1-23 section. Amounts collected under this subsection by an  
1-24 investor-owned natural gas distribution system or a cooperatively  
1-25 owned natural gas distribution system ~~[company]~~ shall not be  
1-26 included in the revenue or gross receipts of the company for the  
1-27 purpose of calculating municipal franchise fees or any tax imposed  
1-28 under Subchapter B, Chapter 182, Tax Code, or under Chapter 122.  
1-29 Those amounts are not subject to a sales and use tax imposed by  
1-30 Chapter 151, Tax Code, or Subtitle C, Title 3 ~~[Chapters 321 through~~  
1-31 ~~327]~~, Tax Code.

1-32 SECTION 2. This Act takes effect September 1, 2005.

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