

BILL ANALYSIS

C.S.H.B. 3929
By: Crownover
Energy Resources
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The Railroad Commission of Texas (commission) offers rebates to consumers who buy propane water heaters. This can be done during new construction or during the replacement of an electric water heater. One can also be eligible for greater rebate amounts if they qualify as a Propane Star Home or Propane SuperStar Home.

This bill is necessary because efforts to change the budgeting and expenditure practices for Fund 101 solely through a rider to the appropriations act would be in conflict with the current provisions in the Natural Resources Code. This bill aims to clarify commission authority and ensure maximum efficiency throughout the Alternative Fuels Research and Education Division (AFRED) Program.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

This bill amends the natural resources code by adding language which would allow the Railroad Commission of Texas (commission) to carry forward unexpended amounts that were budgeted for consumer rebate programs during the state fiscal year and include those amounts in the commission's operating budget for consumer rebate programs for the following fiscal year. This is conditional on the commission reserving no more than 50 percent of those amounts, to the degree necessary for operational cash flow.

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.

COMPARISON OF ORIGINAL TO SUBSTITUTE

The original was not a Legislative Council draft, the substitute is. Therefore, there were certain technical or conforming changes made by Legislative Council which have been incorporated throughout the substitute.

The original struck the following from existing statute "the remainder of the total delivery fees collected may be expended at the discretion of the commission." The substitute adds that language back in.

The substitute completely changes Section 1 of the bill. The substitute adds language identical to an appropriations act rider. The substitute strikes the following from the original: "These carry over funds shall not be considered in determining the amount of Available Funds for the current fiscal year as cited in Section 113.2435 (c) (5) of the Texas Natural Resources Code which establishes the requirement of using not more than 50% of funds available for the consumer rebate program in the Account 101 fund in any fiscal year."