# **BILL ANALYSIS**

C.S.H.B. 3418 By: Darby Appropriations Committee Report (Substituted)

# BACKGROUND AND PURPOSE

Interested parties assert that certain legislative changes are necessary to comply with assumptions made in the general appropriations bill, to respond to state fiscal concerns, to address certain other fiscal matters, and to implement certain recommendations regarding government effectiveness and efficiency. C.S.H.B. 3418 addresses issues relating to certain state fiscal matters related to natural resources or the environment.

#### **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Animal Health Commission in SECTION 2.01 of this bill.

# ANALYSIS

## Article 1. Reduction of Expenditures and Imposition of Charges Generally

C.S.H.B. 3418 establishes that each state agency that receives an appropriation under Article VI of the General Appropriations Act is authorized to reduce or recover expenditures by consolidating any reports or publications the agency is required to make and filing or delivering any of those reports or publications exclusively by electronic means; extending the effective period of any license, permit, or registration the agency grants or administers; entering into a contract with another governmental entity or with a private vendor to carry out any of the agency's duties; adopting additional eligibility requirements for persons who receive benefits under any law the agency administers to ensure that those benefits are received by the most deserving persons consistent with the purposes for which the benefits are provided; providing that any communication between the agency and another person and any document required to be delivered to or by the agency, including any application, notice, billing statement, receipt, or certificate, may be made or delivered by e-mail or through the Internet; and adopting and collecting fees or charges to cover any costs the agency incurs in performing its lawful functions.

#### Article 2. Fiscal Matters Concerning Animal Health Regulation

C.S.H.B. 3418 amends the Agriculture Code to replace a provision authorizing the Texas Animal Health Commission to charge a fee, as provided by commission rule, for an inspection made by the commission with a provision authorizing the commission by rule to set and collect a fee for any service provided, including the inspection of animals or facilities, the testing of animals for disease, obtaining samples from animals for disease testing, disease eradication and treatment efforts, services related to the transport of livestock, control and eradication of ticks and other pests, and any other service for which the commission incurs a cost.

#### Article 3. Fiscal Matters Regarding Petroleum Industry Regulation

C.S.H.B. 3418 amends the Water Code to reduce the fees required to be imposed on the delivery of a petroleum product on withdrawal from bulk of that product as follows:

- from \$3.75 to \$3.125 for each delivery into a cargo tank having a capacity of less than 2,500 gallons;
- from \$7.50 to \$6.25 for each delivery into a cargo tank having a capacity of 2,500 or more but less than 5,000 gallons;
- from \$11.75 to \$9.37 for each delivery into a cargo tank having a capacity of 5,000 gallons or more but less than 8,000 gallons;
- from \$15.00 to \$12.50 for each delivery into a cargo tank having a capacity of 8,000 gallons or more but less than 10,000 gallons; and
- from \$7.50 to \$6.25 for each increment of 5,000 gallons or any part thereof delivered into a cargo tank having a capacity of 10,000 gallons or more.

The bill changes the applicable period to impose such a fee from the state fiscal year beginning September 1, 2007, through the state fiscal year ending August 31, 2011, to the state fiscal year beginning September 1, 2011, through the state fiscal year ending August 31, 2015.

## Article 4. Coastal Erosion

C.S.H.B. 3418 amends the Natural Resources Code to require the biennial report relating to coastal erosion that the commissioner of the General Land Office is required to submit to the legislature to include a plan for coastal erosion response studies and projects that may be funded, wholly or partly, from money in the coastal erosion response account and may be undertaken during the next 10 or more years.

## Article 5. Texas Farm and Ranch Lands Conservation Program

C.S.H.B. 3418 amends the Natural Resources Code to remove from the application requirements for an applicant who is a qualified easement holder under the Texas farm and ranch lands conservation program to receive a grant under the program a demonstration that the applicant is able to match 50 percent of the amount of the grant being sought, considering that the Texas Farm and Ranch Lands Conservation Council may choose to allow a donation of part of the appraised value of the easement to be considered as in-kind matching funds.

# EFFECTIVE DATE

September 1, 2011.

# COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 3418 contains provisions not included in the original reducing the fees required to be imposed on the delivery of a petroleum product on withdrawal from bulk of that product. The substitute differs from the original by changing the applicable period to impose such fees, whereas the original removes statutory language limiting the imposition of those fees to a certain period.

C.S.H.B. 3418 omits provisions included in the original relating to:

- fiscal matters regarding funding for certain state sites under the jurisdiction of the Parks and Wildlife Department;
- fiscal matters regarding contributions to the Parks and Wildlife Department;
- fiscal matters regarding the preservation of natural resources, except that the substitute retains the provision included in the original requiring the biennial report relating to coastal erosion that the commissioner of the General Land Office is required to submit to the legislature to include a plan for certain coastal erosion response studies and projects; and

• fiscal matters regarding environmental protection.

C.S.H.B. 3418 contains a provision not included in the original removing from the application requirements for an applicant who is a qualified easement holder under the Texas farm and ranch lands conservation program to receive a grant under the program a demonstration that the applicant is able to match 50 percent of the amount of the grant being sought.

C.S.H.B. 3418 differs from the original in nonsubstantive ways.