

BILL ANALYSIS

C.S.H.B. 3853
By: Geren
Natural Resources
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Certain law provides that a gas or electric corporation has the power to own, hold, or use land, a right-of-way, an easement, a franchise, or a building or other structure as necessary for the purpose of the corporation. Interested parties contend that, while such corporations have the authority to hold land or other property, state law does not adequately address the issue of when a corporation constructs a transmission line on or adjacent to land designated by the legislature as a site of unique value for the construction of a reservoir.

C.S.H.B. 3853 seeks to address this issue by establishing provisions relating to the authority of a gas or electric corporation to use certain land to construct or operate a transmission line.

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

SECTION 1. Amends Section 181.007. New Heading: AUTHORITY TO OWN, HOLD, AND USE LAND OR OTHER PROPERTY.

(a) Makes conforming changes to existing language.

(b) Provides that if a gas or electric corporation constructs a transmission line over, under, or across land that the 2007 state water plan proposed to use for constructing a reservoir and that was designated before January 1, 2011, as a site of unique value for the construction of a reservoir under Sections 16.051(g) or (g-1), Water Code, the corporation is liable for costs related to removing, reconstructing, or relocating the transmission line.

(c) Provides that Subsection (b) does not apply to construction of a transmission line that begins before September 1, 2011, or construction of a transmission line that the Public Utility Commission of Texas approves before September 1, 2011.

SECTION 2. Provides that the provisions of this Act are prospective.

SECTION 3. Provides for the effective date of this Act.

EFFECTIVE DATE

This Act takes effect September 1, 2011.

COMPARISON OF ORIGINAL TO SUBSTITUTE

C.S.H.B. 3853 differs from the original by changing the heading to Section 181.007 and making conforming changes, whereas the original only made conforming changes to the renumbering of the subsection.

C.S.H.B. 3853 differs from the original by providing that if a gas or electric corporation constructs a transmission line over, under, or across land that the 2007 state water plan proposed to use for constructing a reservoir and that was designated before January 1, 2011, as a site of unique value for the construction of a reservoir under Sections 16.051(g) or (g-1), the corporation is liable for costs related to removing, reconstructing, or relocating the transmission line, whereas the original prohibits a gas or electric corporation from constructing a transmission line on or adjacent to any land designated as such a site under Section 16.051 and then provides that if the exercise of such authority in violation of this Subsection requires the removal, reconstruction, or relocation of a transmission line of the corporation in order to construct or operate a designated reservoir, the gas or electric corporation shall bear the cost and there shall be no liability for the sponsor of the reservoir.

C.S.H.B. 3853 differs from the original by including provisions related to the prospective application of this Act providing that Subsection (b) does not apply to construction of a transmission line that begins before September 1, 2011, or construction of a transmission line that the Public Utility Commission of Texas approves before September 1, 2011, whereas the original contained no such provisions.

C.S.H.B. 3853 differs from the original by providing that this Act takes effect September 1, 2011, whereas the original provided that this Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution, and if it does not receive the required vote that this Act takes effect September 1, 2011.