

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 18, 2011

TO: Honorable Troy Fraser, Chair, Senate Committee on Natural Resources

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB2663 by Chisum (Relating to the effect of rules and standards adopted by the Railroad Commission of Texas relating to the liquefied petroleum gas industry on ordinances, orders, or rules adopted by political subdivisions relating to that industry.), **Committee Report 2nd House, Substituted**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would provide that rules and standards promulgated by the Railroad Commission relating to liquified petroleum gas supersede any ordinance or rule adopted by a political subdivision of the state. A political subdivision would be authorized to petition the Railroad Commission's executive director for permission to promulgate more restrictive rules and standards to enhance public safety.

Passage of the bill would result in Railroad Commission staff having to review petitions from political subdivision and make recommendations to the Executive Director and hold hearings as necessary. In addition, the Railroad Commission would have to promulgate rules to provide for a procedure for reviewing such petitions.

This estimate assumes that the number of political subdivisions that would petition the Railroad Commission to promulgate more restrictive rules and standards would not be significant; therefore, the additional workload resulting from the bill's passage is expected to be absorbed using existing agency resources.

Local Government Impact

A local government would incur costs in preparing information to present to the Railroad Commission if it would petition to the agency to promulgate more restrictive rules or standards than those adopted by the Railroad Commission. This estimate assumes that in most cases such costs would not be significant.

Source Agencies: 455 Railroad Commission

LBB Staff: JOB, SZ, TL