

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 3, 2011

TO: Honorable Jim Keffer, Chair, House Committee on Energy Resources

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

IN RE: SB1293 by Hegar (Relating to the amounts of administrative, civil, and criminal penalties for violations relating to certain pipelines.), **As Engrossed**

The fiscal implications of the bill cannot be determined at this time

The bill would amend the Natural Resources Code and the Utilities Code to increase administrative, civil, and criminal penalties for violations of oil and gas and pipeline safety regulation. The administrative, civil, and criminal penalties and fines are permissive with respect to the penalty levels assessed up to a maximum amount.

The Comptroller of Public Accounts reports that the fiscal impact cannot be determined because the number of associated violations cannot be determined. The Railroad Commission assumed an increase in the General Revenue Fund and in Fund 145, Oil Field Cleanup Account as a result of increased monetary penalties paid for violations. The Department of Criminal Justice anticipates no significant fiscal impact unless it is determined that the bill will impact the offender population.

Local Government Impact

Local governments could incur increased administrative penalties as a result of violation of pipeline safety regulations or underground damage prevention regulations.

Source Agencies: 304 Comptroller of Public Accounts, 455 Railroad Commission, 696 Department of Criminal Justice

LBB Staff: JOB, SZ, GG, AI