By: Bonnen of Brazoria H.B. No. 2166

Substitute the following for H.B. No. 2166:

By: Canales C.S.H.B. No. 2166

A BILL TO BE ENTITLED

1 AN ACT

- 2 relating to the continuation, functions, and name of the Railroad
- 3 Commission of Texas; providing for the imposition of fees.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. The heading to Chapter 81, Natural Resources
- 6 Code, is amended to read as follows:
- 7 CHAPTER 81. <u>TEXAS ENERGY</u> [RAILROAD] COMMISSION [OF TEXAS]
- 8 SECTION 2. Section 81.001, Natural Resources Code, is
- 9 amended to read as follows:
- 10 Sec. 81.001. DEFINITIONS. In this chapter:
- 11 (1) "Commission" means the Texas Energy [Railroad]
- 12 Commission [of Texas].
- 13 (2) "Commissioner" means any member of the <u>Texas</u>
- 14 Energy [Railroad] Commission [of Texas].
- 15 SECTION 3. Subchapter A, Chapter 81, Natural Resources
- 16 Code, is amended by adding Section 81.003 to read as follows:
- 17 Sec. 81.003. TEXAS ENERGY COMMISSION. (a) The Railroad
- 18 Commission of Texas is renamed the Texas Energy Commission.
- 19 (b) A reference in law to:
- 20 <u>(1) the Railroad Commission of Texas</u> means the Texas
- 21 Energy Commission; and
- (2) a railroad commissioner or a member of the
- 23 Railroad Commission of Texas means a member of the Texas Energy
- 24 Commission.

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- 1 SECTION 4. Section 81.01001, Natural Resources Code, is
- 2 amended to read as follows:
- 3 Sec. 81.01001. SUNSET PROVISION. The Texas Energy
- 4 [Railroad] Commission [of Texas] is subject to Chapter 325,
- 5 Government Code (Texas Sunset Act). Unless continued in existence
- 6 as provided by that chapter, the commission is abolished September
- 7 1, 2023 [2013].
- 8 SECTION 5. Subchapter B, Chapter 81, Natural Resources
- 9 Code, is amended by adding Sections 81.010015 and 81.010046 to read
- 10 as follows:
- 11 Sec. 81.010015. ELECTION AND TERMS OF COMMISSIONERS;
- 12 VACANCIES. (a) The commission is composed of three commissioners
- 13 elected at the general election for state and county officers.
- 14 (b) Commissioners serve staggered terms of six years, with
- 15 the term of one commissioner expiring December 31 of each
- 16 even-numbered year.
- 17 (c) The governor shall appoint a person to fill a vacancy on
- 18 the commission until the next general election.
- 19 Sec. 81.010046. AUTOMATIC RESIGNATION. If a person who is a
- 20 member of the commission announces the person's candidacy, or in
- 21 fact becomes a candidate, in any general, special, or primary
- 22 election for any elective office other than the office of
- 23 commissioner, that announcement or that candidacy constitutes an
- 24 automatic resignation of the office of commissioner.
- 25 SECTION 6. Section 81.01005, Natural Resources Code, is
- 26 amended to read as follows:
- Sec. 81.01005. NAME AND SEAL. (a) The commissioners are

- 1 known collectively as the "Texas Energy [Railroad] Commission [of
- 2 Texas]."
- 3 (b) The seal of the commission contains a star of five
- 4 points with the words "Texas Energy [Railroad] Commission [of
- 5 Texas] " engraved on it.
- 6 SECTION 7. The heading to Section 81.0521, Natural
- 7 Resources Code, is amended to read as follows:
- 8 Sec. 81.0521. FEE FOR APPLICATION FOR EXCEPTION TO
- 9 [RAILROAD] COMMISSION RULE.
- SECTION 8. Sections 81.0531(c) and (d), Natural Resources
- 11 Code, are amended to read as follows:
- 12 (c) In determining the amount of the penalty, the commission
- 13 shall consider the [permittee's history of previous violations, the
- 14 seriousness of the violation, any hazard to the health or safety of
- 15 the public, and the demonstrated good faith of the person charged.
- 16 In determining the amount of the penalty for a violation of a
- 17 provision of this title or a rule, order, license, permit, or
- 18 certificate that relates to pipeline safety, the commission shall
- 19 consider the] guidelines adopted under Subsection (d).
- 20 (d) The commission [by rule] shall adopt guidelines to be
- 21 used in determining the amount of the penalty. The commission shall
- 22 provide an opportunity for public input on the guidelines [for a
- 23 violation of a provision of this title or a rule, order, license,
- 24 permit, or certificate that relates to pipeline safety]. The
- 25 guidelines must [shall] include a penalty calculation worksheet
- 26 that specifies the typical penalty for certain violations,
- 27 circumstances justifying enhancement of a penalty and the amount of

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- 1 the enhancement, and circumstances justifying a reduction in a
- 2 penalty and the amount of the reduction. The guidelines must
- 3 provide for different penalties for different violations based on
- 4 the seriousness of the violation and any hazard to the health or
- 5 safety of the public resulting from the violation. The guidelines
- 6 must [shall] take into account:
- 7 (1) the permittee's history of previous violations,
- 8 including the number of previous violations;
- 9 (2) the seriousness of the violation and of any
- 10 pollution resulting from the violation;
- 11 (3) any hazard to the health or safety of the public;
- 12 (4) the degree of culpability;
- 13 (5) the demonstrated good faith of the person charged;
- 14 [and]
- 15 (6) the number of times the permittee's certificate of
- 16 compliance issued under Subchapter P, Chapter 91, has been
- 17 canceled; and
- 18 (7) any other factor the commission considers
- 19 relevant.
- SECTION 9. Subchapter C, Chapter 81, Natural Resources
- 21 Code, is amended by adding Sections 81.0645, 81.065, and 81.066 to
- 22 read as follows:
- Sec. 81.0645. EX PARTE COMMUNICATIONS. The commission by
- 24 rule shall develop a policy to prohibit an ex parte communication
- 25 <u>between a hearings examiner and a commissioner or between a</u>
- 26 hearings examiner and a member of the technical staff of the
- 27 commission who has participated in a hearing. The policy must

- 1 prohibit a commissioner from communicating with a hearings examiner
- 2 other than in a formal public hearing.
- 3 Sec. 81.065. NEGOTIATED RULEMAKING AND ALTERNATIVE DISPUTE
- 4 RESOLUTION POLICY. (a) The commission shall develop and implement
- 5 a policy to encourage the use of:
- 6 (1) negotiated rulemaking procedures under Chapter
- 7 2008, Government Code, for the adoption of commission rules; and
- 8 (2) appropriate alternative dispute resolution
- 9 procedures under Chapter 2009, Government Code, to assist in the
- 10 resolution of internal and external disputes under the commission's
- 11 jurisdiction.
- 12 (b) The commission's procedures relating to alternative
- 13 dispute resolution must conform, to the extent possible, to any
- 14 model guidelines issued by the State Office of Administrative
- 15 Hearings for the use of alternative dispute resolution by state
- 16 <u>agencies</u>.
- 17 (c) The commission shall:
- 18 (1) coordinate the implementation of the policy
- 19 adopted under Subsection (a);
- 20 (2) provide training as needed to implement the
- 21 procedures for negotiated rulemaking or alternative dispute
- 22 <u>resolution; and</u>
- 23 (3) collect information concerning the effectiveness
- 24 of those procedures.
- Sec. 81.066. ENFORCEMENT POLICY. (a) The commission shall
- 26 adopt an enforcement policy to guide the employees of the
- 27 commission in evaluating violations of the provisions of this title

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- 1 that pertain to safety or the prevention or control of pollution or
- 2 the provisions of a rule, order, license, permit, or certificate
- 3 that pertains to safety or the prevention or control of pollution
- 4 and is issued under this title.
- 5 (b) The enforcement policy adopted under this section must
- 6 include:
- 7 <u>(1) a specific process for classifying violations</u>
- 8 based on:
- 9 (A) the seriousness of any pollution resulting
- 10 from the violation; and
- 11 (B) any hazard to the health or safety of the
- 12 public; and
- 13 (2) standards to provide guidance to commission
- 14 employees on which violations may be dismissed once the permittee
- 15 comes into compliance and which violations must be forwarded for
- 16 <u>enforcement.</u>
- 17 (c) The standards adopted under Subsection (b)(2) must
- 18 require a commission employee to take into account the permittee's
- 19 history of previous violations in determining whether to dismiss a
- 20 violation once the permittee comes into compliance or forward the
- 21 violation for enforcement.
- SECTION 10. Sections 81.067(b) and (c), Natural Resources
- 23 Code, are amended to read as follows:
- 24 (b) The commission shall certify to the comptroller the date
- 25 on which the balance in the fund equals or exceeds \$30 [\$20]
- 26 million. The oil-field cleanup regulatory fees on oil and gas
- 27 shall not be collected or required to be paid on or after the first

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- 1 day of the second month following the certification, except that
- 2 the comptroller shall resume collecting the fees on receipt of a
- 3 commission certification that the fund has fallen below $\frac{$25}{}$ [\$10]
- 4 million. The comptroller shall continue collecting the fees until
- 5 collections are again suspended in the manner provided by this
- 6 subsection.
- 7 (c) The fund consists of:
- 8 (1) proceeds from bonds and other financial security
- 9 required by this chapter and benefits under well-specific plugging
- 10 insurance policies described by Section 91.104(c) that are paid to
- 11 the state as contingent beneficiary of the policies, subject to the
- 12 refund provisions of Section 91.1091, if applicable;
- 13 (2) private contributions, including contributions
- 14 made under Section 89.084;
- 15 (3) expenses collected under Section 89.083;
- 16 (4) fees imposed under Section 85.2021;
- 17 (5) costs recovered under Section 91.457 or 91.459;
- 18 (6) proceeds collected under Sections 89.085 and
- 19 91.115;
- 20 (7) interest earned on the funds deposited in the
- 21 fund;
- 22 (8) oil and gas waste hauler permit application fees
- 23 collected under Section 29.015, Water Code;
- 24 (9) costs recovered under Section 91.113(f);
- 25 (10) hazardous oil and gas waste generation fees
- 26 collected under Section 91.605;
- 27 (11) oil-field cleanup regulatory fees on oil

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1
   collected under Section 81.116;
               (12) oil-field cleanup regulatory fees
 2
                                                                   gas
 3
   collected under Section 81.117;
 4
               (13)
                     fees for a reissued certificate collected under
 5
   Section 91.707;
               (14)
                     fees collected under Section 91.1013;
 6
 7
               (15)
                     fees collected under Section 89.088;
 8
               (16)
                     fees collected under Section 91.142;
               (17)
                     fees collected under Section 91.654;
 9
10
               (18)
                     costs recovered under Sections 91.656 and 91.657;
                     two-thirds of the fees collected under Section
11
               (19)
12
   81.0521;
                     fees collected under Sections 89.024 and 89.026;
13
               (20)
14
               (21)
                     legislative appropriations; [and]
15
                     any surcharges collected under Section 81.070;
               (22)
16
   and
17
               (23)
                     money deposited in the
                                                 fund under
18
   113.243.
          SECTION 11. Section 81.068, Natural Resources Code,
19
   amended to read as follows:
20
          Sec. 81.068. PURPOSES [PURPOSE] OF OIL AND GAS REGULATION
21
   AND CLEANUP FUND. Money in the oil and gas regulation and cleanup
22
23
   fund may be used by the commission or its employees or agents for
24
   any purpose related to the regulation of oil and gas development,
   including oil and gas monitoring and inspections, oil and gas
25
26
   remediation, and oil and gas well plugging, the Alternative Fuels
   Research and Education Division program, public information and
27
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- 1 services related to those activities, and administrative costs and
- 2 state benefits for personnel involved in those activities.
- 3 SECTION 12. Sections 81.069(b) and (c), Natural Resources
- 4 Code, are amended to read as follows:
- 5 (b) The commission shall provide to the Legislative Budget
- 6 Board and post on the commission's Internet website quarterly
- 7 reports [to the Legislative Budget Board] that include:
- 8 (1) the following information with respect to the
- 9 period since the last report was provided as well as cumulatively:
- 10 (A) the amount of money deposited in the oil and
- 11 gas regulation and cleanup fund;
- 12 (B) the amount of money spent from the fund for
- 13 the purposes described by Subsection (a);
- 14 (C) the balance of the fund; and
- 15 (D) the commission's progress in meeting the
- 16 quarterly performance goals established under Subsection (a) and,
- 17 if the number of orphaned wells plugged with state-managed funds,
- 18 abandoned sites investigated, assessed, or cleaned up with state
- 19 funds, or surface locations remediated is at least five percent
- 20 less than the number projected in the applicable goal established
- 21 under Subsection (a), an explanation of the reason for the
- 22 variance; and
- 23 (2) any additional information or data requested in
- 24 writing by the Legislative Budget Board.
- 25 (c) The commission shall submit to the legislature and make
- 26 available to the public, including by posting on the commission's
- 27 Internet website, annually, a report that reviews the extent to

- 1 which money provided under Section 81.067 has enabled the
- 2 commission to better protect the environment through oil-field
- 3 cleanup activities. The report must include:
- 4 (1) the performance goals established under
- 5 Subsection (a) for that state fiscal year, the commission's
- 6 progress in meeting those performance goals, and, if the number of
- 7 orphaned wells plugged with state-managed funds, abandoned sites
- 8 investigated, assessed, or cleaned up with state funds, or surface
- 9 locations remediated is at least five percent less than the number
- 10 projected in the applicable goal established under Subsection (a),
- 11 an explanation of the reason for the variance;
- 12 (2) the number of orphaned wells plugged with
- 13 state-managed funds, by region;
- 14 (3) the number of wells orphaned, by region;
- 15 (4) the number of inactive wells not currently in
- 16 compliance with commission rules, by region;
- 17 (5) the status of enforcement proceedings for all
- 18 wells in violation of commission rules and the period during which
- 19 the wells have been in violation, by region in which the wells are
- 20 located;
- 21 (6) the number of surface locations remediated, by
- 22 region;
- 23 (7) a detailed accounting of expenditures of money in
- 24 the fund for oil-field cleanup activities, including expenditures
- 25 for plugging of orphaned wells, investigation, assessment, and
- 26 cleaning up of abandoned sites, and remediation of surface
- 27 locations;

- 1 (8) the method by which the commission sets priorities
- 2 by which it determines the order in which orphaned wells are
- 3 plugged;
- 4 (9) a projection of the amount of money needed for the
- 5 next biennium for plugging orphaned wells, investigating,
- 6 assessing, and cleaning up abandoned sites, and remediating surface
- 7 locations; and
- 8 (10) the number of sites successfully remediated under
- 9 the voluntary cleanup program under Subchapter O, Chapter 91, by
- 10 region.
- 11 SECTION 13. Subchapter C, Chapter 81, Natural Resources
- 12 Code, is amended by adding Section 81.071 to read as follows:
- 13 Sec. 81.071. PIPELINE SAFETY AND REGULATORY FEES. (a) The
- 14 commission by rule may establish pipeline safety and regulatory
- 15 fees to be assessed annually against persons owning or operating
- 16 pipelines in Texas that are subject to the jurisdiction of the
- 17 commission as established under Section 81.051. The fees must be in
- 18 amounts that in the aggregate are sufficient to support all
- 19 pipeline safety and regulatory program costs, including:
- 20 (1) permitting or registration costs;
- 21 (2) mapping costs;
- 22 <u>(3) administrative costs; and</u>
- 23 (4) costs of employee salaries and benefits.
- 24 (b) The commission by rule must establish the method or
- 25 methods by which the fees will be calculated and assessed so that
- 26 fee amounts will reflect the time spent and costs incurred to
- 27 perform the regulatory work associated with permitting or

- 1 registering pipelines, the effects of required fees on owners and
- 2 operators of all sizes, and other factors the commission determines
- 3 are important to the fair imposition of the fees. The commission
- 4 may base the fees on any factor the commission considers necessary
- 5 to efficiently and fairly recover the pipeline safety and
- 6 regulatory program's costs, including:
- 7 (1) the length of the pipeline;
- 8 (2) the number of new permits, permit renewals, or
- 9 permit amendments; or
- 10 (3) the number of pipeline owners, operators, or
- 11 systems.
- 12 (c) The commission by rule may provide that a fee assessed
- 13 under this section that is submitted with a permit application that
- 14 is denied is nonrefundable.
- 15 (d) The commission by rule may establish a reasonable late
- 16 payment penalty for a fee assessed under this section.
- 17 (e) The authority provided by this section is in addition to
- 18 the authority provided by Section 121.211, Utilities Code, and the
- 19 commission shall consider any fees assessed under that section in
- 20 establishing the fees to be assessed under this section.
- 21 SECTION 14. Section 91.1135(e), Natural Resources Code, is
- 22 transferred to Section 81.069, Natural Resources Code,
- 23 redesignated as Section 81.069(d), Natural Resources Code, and
- 24 amended to read as follows:
- (d) $[\frac{(e)}{(e)}]$ The commission shall provide to the Legislative
- 26 Budget Board and post on the commission's Internet website
- 27 quarterly reports [to the committee and the Legislative Budget

- 1 Board | that include [+
- 2 $\left[\frac{(1)}{(1)}\right]$ the following information with respect to the
- 3 period since the last report was provided as well as cumulatively:
- 4 $\underline{\text{(1)}}$ [$\frac{\text{(A)}}{\text{(1)}}$] the amount of money deposited in the $\underline{\text{oil}}$ and
- 5 gas regulation and [oil-field] cleanup fund;
- 6 (2) [(B)] the amount of money spent from the fund;
- 7 $\underline{\text{(3)}}$ [(C)] the balance of the fund;
- 8 $\underline{\text{(4)}}$ [\(\frac{\text{(D)}}{\text{D}}\)] the number of wells plugged with money from
- 9 the fund;
- 10 $\underline{\text{(5)}}$ [$\frac{\text{(E)}}{\text{(E)}}$] the number of sites remediated with money
- 11 from the fund; and
- (6) [(F)] the number of wells abandoned [+] and
- 13 [(2) any additional information or data requested in
- 14 writing by the committee].
- 15 SECTION 15. Subchapter B, Chapter 102, Natural Resources
- 16 Code, is amended by adding Section 102.0165 to read as follows:
- Sec. 102.0165. LOCATION OF HEARING. (a) At the request of
- 18 an interested party and with the consent of each interested party,
- 19 the commission may hold the hearing on the application in person or
- 20 by telephone at a location in the vicinity of the proposed unit.
- 21 (b) The commission may contract with another state agency to
- 22 hold hearings on applications for pooling of interests into a unit
- 23 under the provisions of this chapter in person or by telephone at
- 24 field offices of that agency.
- 25 SECTION 16. Section 113.243, Natural Resources Code, is
- 26 amended to read as follows:
- Sec. 113.243. DEPOSIT AND USE OF CERTAIN REVENUE

- 1 [ALTERNATIVE FUELS RESEARCH AND EDUCATION FUND]. (a) The
- 2 following revenue shall be deposited in the oil and gas regulation
- 3 and cleanup fund [alternative fuels research and education fund is
- 4 created] in the state treasury[→
- 5 [(b) The fund consists of money from]:
- 6 (1) fees charged under this subchapter;
- 7 (2) the penalties for the late payment of the fee 8 charged under this subchapter;
- 9 (3) gifts, grants, or other assistance received by the 10 commission from any source for the purposes of this subchapter;
- 11 (4) [interest earned on amounts in the fund;
- 12 $\left[\frac{(5)}{}\right]$ amounts collected by the commission under an
- 13 agreement with another state in accordance with Section 113.246(e);
- 14 (5) (6) assessments, rebates on assessments, and
- 15 other money collected by the commission under the Propane Education
- 16 and Research Act of 1996 (15 U.S.C. Section 6401 et seq.) or other
- 17 applicable federal law; and
- 18 (6) (7) fees, royalties, or other things of value
- 19 received from the items described by Subsections (d)(1)(A)-(D)
- 20 $[\frac{(f)(1)(\Lambda)-(D)}{(D)}]$.
- 21 (b) Money deposited in the oil and gas regulation and
- 22 cleanup fund under this section [(c) The fund] may be used only by
- 23 the commission to pay for activities relating to the specific fuel
- 24 from which the fee, royalty, or other thing of value was derived or
- 25 the specific fuel, if any, for which the gift, grant, or other
- 26 assistance is given, including direct and indirect costs relating
- 27 to:

- 1 (1) researching all possible uses of LPG and other
- 2 environmentally beneficial alternative fuels to enhance air
- 3 quality;
- 4 (2) researching, developing, and implementing
- 5 marketing, advertising, and informational programs relating to
- 6 alternative fuels to make alternative fuels more understandable and
- 7 readily available to consumers;
- 8 (3) developing and implementing conservation and
- 9 distribution plans to minimize the frequency and severity of
- 10 disruptions in the supply of alternative fuels;
- 11 (4) developing a public information plan that will
- 12 provide advisory services relating to alternative fuels to
- 13 consumers;
- 14 (5) developing voluntary participation plans to
- 15 promote the use of alternative fuels by federal, state, and local
- 16 agencies;
- 17 (6) implementing consumer incentive or rebate
- 18 programs developed pursuant to Section 113.2435 [of this
- 19 subchapter];
- 20 (7) other functions the commission determines are
- 21 necessary to add a program established by the commission for the
- 22 purpose of promoting the use of LPG or other environmentally
- 23 beneficial alternative fuels; and
- 24 (8) the administrative costs incurred by the
- 25 commission under this subchapter.
- 26 (c) [(d) If a specific fee, royalty, gift, grant, other
- 27 thing of value, or other assistance is designated for or collected

from discrete components of the alternative fuels industry, the 1 fee, royalty, gift, grant, other thing of value, or other 2 assistance shall be deposited in a separate account in the fund. 4 $[\frac{(e)}{(e)}]$ The commission may apply for, request, solicit, 5 contract for, receive, and accept gifts, grants, and other assistance from any source for the purposes of this subchapter. 6 [Money received under this subsection shall be 7 8 deposited in a separate account in the fund as provided in Subsection (d) of this section. 9 10 $[\frac{f}{f}]$ The commission may: apply for, register, secure, hold, and protect 11 12 under the laws of a state, the United States, or a foreign country a patent, copyright, trademark, or other evidence of protection or 13 exclusivity issued for an idea, publication, or other original 14 innovation fixed in a tangible medium, including: 15 (A) 16 a logo; 17 (B) a service mark; (C) 18 a study; 19 (D) an engineering, architectural, or graphic 20 design; 21 (E) a manual; automated systems software; 2.2 (F) 23 (G) an audiovisual work; or 24 (H) a sound recording;

in return for a fee, royalty, or other thing of value; and

enter into a license agreement with a third party

(3) waive or reduce the amount of a fee, royalty, or

(2)

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- 1 other thing of value to be assessed if the commission determines
- 2 that the waiver will:
- 3 (A) further the goals and missions of the
- 4 commission's division responsible for alternative fuels research
- 5 and education; and
- 6 (B) result in a net benefit to the state.
- 7 (e) $\frac{(g)}{(g)}$ Money received under Subsection $\frac{(d)}{(g)}$ shall
- 8 be deposited in [a separate account in] the oil and gas regulation
- 9 and cleanup fund as provided by Subsection (a) $[\frac{d}{d}]$, except that
- 10 any money received by the commission from the items described by
- 11 Subsections (d)(1)(E)-(H) $[\frac{(f)(1)(E)-(H)}{(E)-(H)}]$ shall be deposited in
- 12 the general revenue fund.
- SECTION 17. Sections 113.2435(c) and (d), Natural Resources
- 14 Code, are amended to read as follows:
- 15 (c) Rules adopted and promulgated by the commission under
- 16 this section shall specify the following:
- 17 (1) rebate levels for various types of equipment such
- 18 that the rebates achieve an amount of public good comparable to the
- 19 rebate amount;
- 20 (2) a condition that the recipient agree to practice
- 21 environmentally sound operating principles;
- 22 (3) a condition that the rebate recipient agree to not
- 23 modify the equipment for a specified number of years as set by the
- 24 commission;
- 25 (4) any other conditions or restrictions determined by
- 26 the commission that would help ensure that either of the desired
- 27 goals of achieving energy conservation and efficiency or improving

- 1 air quality in this state is furthered;
- 2 (5) a limitation on the proportion of the money in the
- 3 oil and gas regulation and cleanup fund that was deposited in the
- 4 fund under Section 113.243 and is usable for the rebate program that
- 5 limits the proportion usable to not more than 50 percent of the
- 6 funds available; and
- 7 (6) that the name or seal of the commission shall not
- 8 be used on any advertising that promotes the propane water heater
- 9 rebate program.
- 10 (d) Notwithstanding Subsection (c)(5), the commission shall
- 11 make available for rebates during a fiscal year the entire amount of
- 12 money made available for rebates during the preceding fiscal year
- 13 that was not spent during the preceding fiscal year. The amount of
- 14 money made available for rebates during the preceding fiscal year
- 15 that was not spent during the preceding fiscal year is not counted
- 16 in determining the limitation on the proportion of the <u>money in the</u>
- 17 oil and gas regulation and cleanup fund that was deposited in the
- 18 fund under Section 113.243 and is usable for the rebate program
- 19 during a fiscal year.
- 20 SECTION 18. Section 117.012(a), Natural Resources Code, is
- 21 amended to read as follows:
- 22 (a) The commission shall adopt rules that include:
- 23 <u>(1)</u> safety standards for and practices applicable to
- 24 the intrastate transportation of hazardous liquids or carbon
- 25 dioxide by pipeline and intrastate hazardous liquid or carbon
- 26 dioxide pipeline facilities; and
- 27 (2) [, including] safety standards related to the

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- 1 prevention of damage to interstate and intrastate hazardous liquid
- 2 or carbon dioxide pipeline facilities [such a facility] resulting
- 3 from the movement of earth by a person in the vicinity of such a
- 4 [the] facility, other than movement by tillage that does not exceed
- 5 a depth of 16 inches.
- 6 SECTION 19. Section 52.092(c), Election Code, is amended to
- 7 read as follows:
- 8 (c) Statewide offices of the state government shall be
- 9 listed in the following order:
- 10 (1) governor;
- 11 (2) lieutenant governor;
- 12 (3) attorney general;
- 13 (4) comptroller of public accounts;
- 14 (5) commissioner of the General Land Office;
- 15 (6) commissioner of agriculture;
- 16 (7) <u>energy</u> [railroad] commissioner;
- 17 (8) chief justice, supreme court;
- 18 (9) justice, supreme court;
- 19 (10) presiding judge, court of criminal appeals;
- 20 (11) judge, court of criminal appeals.
- 21 SECTION 20. Section 756.126, Health and Safety Code, is
- 22 amended to read as follows:
- Sec. 756.126. SAFETY STANDARDS AND BEST PRACTICES. The
- 24 Texas Energy [Railroad] Commission [of Texas] shall adopt and
- 25 enforce rules prescribing safety standards and best practices,
- 26 including those described by 49 U.S.C. Section 6105 et seq.,
- 27 relating to the prevention of damage by a person to a facility,

- 1 including an interstate or intrastate pipeline facility, under the
- 2 jurisdiction of the commission.
- 3 SECTION 21. Section 121.201(a), Utilities Code, is amended
- 4 to read as follows:
- 5 (a) The railroad commission may:
- 6 (1) by rule prescribe or adopt safety standards for
- 7 the transportation of gas and for gas pipeline facilities,
- 8 including safety standards related to the prevention of damage to
- 9 an interstate or intrastate gas pipeline [such a] facility
- 10 resulting from the movement of earth by a person in the vicinity of
- 11 the facility, other than movement by tillage that does not exceed a
- 12 depth of 16 inches;
- 13 (2) by rule require an operator that does not file
- 14 operator organization information under Section 91.142, Natural
- 15 Resources Code, to provide the information to the commission in the
- 16 form of an application;
- 17 (3) by rule require record maintenance and reports;
- 18 (4) inspect records and facilities to determine
- 19 compliance with safety standards prescribed or adopted under
- 20 Subdivision (1);
- 21 (5) make certifications and reports from time to time;
- 22 (6) seek designation by the United States secretary of
- 23 transportation as an agent to conduct safety inspections of
- 24 interstate gas pipeline facilities located in this state; and
- 25 (7) by rule take any other requisite action in
- 26 accordance with 49 U.S.C. Section 60101 et seq., or a succeeding
- 27 law.

- 1 SECTION 22. The following provisions of the Natural
- 2 Resources Code are repealed:
- 3 (1) the heading to Section 91.1135; and
- 4 (2) Sections 91.1135(a), (b), (c), (d), (f), and (g).
- 5 SECTION 23. (a) On the effective date of this Act:
- 6 (1) the alternative fuels research and education fund
- 7 is abolished;
- 8 (2) any money remaining in the alternative fuels
- 9 research and education fund is transferred to the oil and gas
- 10 regulation and cleanup fund;
- 11 (3) any claim against the alternative fuels research
- 12 and education fund is transferred to the oil and gas regulation and
- 13 cleanup fund; and
- 14 (4) any amount required to be deposited to the credit
- 15 of the alternative fuels research and education fund shall be
- 16 deposited to the credit of the oil and gas regulation and cleanup
- 17 fund.
- 18 (b) Any money transferred from the alternative fuels
- 19 research and education fund to the oil and gas regulation and
- 20 cleanup fund that was deposited in the alternative fuels research
- 21 and education fund as a gift, grant, or other form of assistance
- 22 under Subchapter I, Chapter 113, Natural Resources Code, and is
- 23 encumbered by the specific terms of the gift, grant, or other form
- 24 of assistance may be spent only in accordance with the terms of the
- 25 gift, grant, or other form of assistance.
- 26 SECTION 24. On the effective date of this Act, the name of
- 27 the Railroad Commission of Texas is changed to the Texas Energy

- 1 Commission. The change of the agency's name does not affect:
- 2 (1) the agency's powers, duties, rights, or
- 3 obligations;
- 4 (2) the agency's personnel, equipment, data,
- 5 documents, facilities, contracts, items, other property,
- 6 appropriations, rules, or decisions;
- 7 (3) a proceeding of or involving the agency under the
- 8 name of the Railroad Commission of Texas; or
- 9 (4) the terms of the chairman or other members of the
- 10 governing body of the agency.
- 11 SECTION 25. This Act takes effect September 1, 2013.