

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 7, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1863 by Wu (Relating to the amounts of the administrative, civil, and criminal penalties for violating certain statutes under the jurisdiction of, rules or orders adopted by, or licenses, permits, or certificates issued by the Railroad Commission of Texas.),
Committee Report 1st House, Substituted

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would increase the minimum and maximum penalty amounts for violation of certain statutes administered by the Railroad Commission. It would limit the maximum penalty for any related series of violations related to pipeline safety to \$2 million.

The Railroad Commission reports that its pipeline safety programs reimbursements from the U.S. Department of Transportation Pipeline and Hazardous Materials Safety Administration (PHMSA) are based on a point system, and that the program currently is being penalized because statutory penalty amounts in Texas law do not match the amounts in federal law. Passage of the bill would align the penalty amounts with the federal amounts, which could result in the restoration of points for the pipeline safety program. This could result in the receipt of additional Federal Funds by the Railroad Commission. However, any additional Federal Funds received are not expected to be significant. In addition, revenue associated with increased penalty is not expected to result in significant increased revenues to the state.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

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

LBB Staff: UP, LM, SZ, TL