

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION
Revision 1

May 3, 2013

TO: Honorable Tryon D. Lewis, Chair, House Committee on Judiciary & Civil Jurisprudence

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB2748** by Lewis (Relating to judicial proceedings and Railroad Commission of Texas hearings to determine whether a person who owns, operates, or manages a pipeline is a common carrier; authorizing a fee.), **Committee Report 1st House, Substituted**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would add Natural Resources Code, Subchapter B-1 (Chapter 111), Common Carrier Determination, to provide that a person is a common carrier only if the Railroad Commission makes such a determination in a judicial proceeding. The bill would provide that a person who seeks common carrier status must apply for such designation with the Railroad Commission and pay a fee set by Commission rule, not to exceed \$2,500. The bill would provide notice requirements and would allow for individuals to file protests of applications for common carrier status. The bill would require the Railroad Commission to designate a hearing examiner to review applications and conduct hearings on applications. The bill also would provide criteria for situations in which the Commission could conduct an administrative review of an application for common carrier status without a hearing, as well as other requirements relating to hearings, and authority to the Railroad to extend deadlines.

The bill would amend Civil Practice and Remedies Code, Chapter 135, to provide that a permit granted by the Railroad Commission under Natural Resources Code, Subchapter B-1, Chapter 111, which would be added by the bill, is a conclusive determination for common carrier status.

The bill would have an effective date of September 1, 2013 and only apply to permit applications filed after the effective date.

It is estimated that the fiscal impact to the Railroad Commission to implement the bill's provisions would not be significant, as only about 30 contested common carrier permit applications are expected to be received annually. However, an appropriation of revenues from the \$2,500 fee authorized by the bill would need to be made to the Railroad Commission for the agency to receive the funds, totaling an estimated \$75,000 per fiscal year.

Local Government Impact

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

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 304
Comptroller of Public Accounts, 455 Railroad Commission

LBB Staff: UP, CL, TL