

BILL ANALYSIS

H.B. 1767
By: Murphy
State Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

It has been noted that there is currently little consistency in the consideration of compensation and benefits for gas utility employees when a regulatory authority is establishing the utility's rates. H.B. 1767 seeks to provide regulatory certainty by clarifying that the compensation and benefits of these employees is presumed to be reasonable and necessary when establishing rates if the expenses are consistent with recent market compensation studies.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 1767 amends the Utilities Code to require a regulatory authority, when establishing a gas utility's rates, to presume that employee compensation and benefits expenses, excluding pension and other postemployment benefits, are reasonable and necessary if the expenses are consistent with recent market compensation studies. The bill applies only to a proceeding for the establishment of rates for which the regulatory authority has not issued a final order or decision before the bill's effective date.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2019.