

BILL ANALYSIS

Senate Research Center
87R7209 JAM-D

S.B. 1582
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Natural Resources & Economic Development
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Railroad Commission of Texas (RRC) certifies individuals engaged in liquefied petroleum gas (aka propane), liquefied natural gas, and compressed natural gas activities. In order to receive a liquefied petroleum gas (LPG), liquefied natural gas (LNG), or compressed natural gas (CNG) certification, an individual must successfully complete an examination. Historically, certification examinations for LPG, LNG, and CNG applicants have been paper-based and administered in person by RRC staff.

Interested parties observe that current statute precludes third-party testing services, including online proctoring services, from administering RRC LPG, LNG, or CNG certification exams. Specifically, Section 113.088(b), Natural Resources Code, requires that a testing service company collect the examination fee that must be paid to RRC. Interested parties observe that testing services should not be required to serve as collecting agents for fees that should be paid directly to RRC. Further, interested parties observe that these fees should be collected directly by RRC in order to ensure proper administration. This current requirement for fee collection inhibits RRC's ability to select testing or proctoring services for administering certification examinations.

S.B. 1582 strikes the requirement that a testing service company collect an examination fee from an LPG certification applicant. The certification applicant would simply be required to pay that fee, which is already required by statute, to RRC. S.B. 1582 also allows proctoring services to administer LPG, LNG, and CNG examinations. This change allows other types of testing providers, including online providers, to offer RRC certification examinations.

S.B. 1582 provides RRC with the flexibility needed to utilize third-party testing services, including online proctoring services, for administering certification examinations for propane, liquefied natural gas, and compressed natural gas certifications. The changes in S.B. 1582 will enable RRC to contract with testing service or proctoring companies that provide the best value to the state. This change would allow RRC to offer LPG, LNG, and CNG certification examination options online, or at testing service locations outside of RRC offices. These changes will improve the efficiency of RRC's LPG, LNG, and CNG certification program while offering greater convenience to those individuals seeking an LPG, LNG, or CNG certification.

As proposed, S.B. 1582 amends current law relating to examinations for applicants for or holders of licenses or registrations to perform certain activities pertaining to compressed natural gas or liquefied natural gas.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 113.087(a), (j), and (k), Natural Resources Code, as follows:

- (a) Provides that the satisfactory completion of the requirements of Section 113.087 (Course of Instruction, Examination, and Seminar Requirements) is mandatory, and operations requiring an LP-gas license are prohibited from commencing, continuing, or

resuming unless examination and seminar requirements are fulfilled. Requires the Railroad Commission of Texas (RRC) to prepare, administer, and grade or review an examination required by Section 113 (Liquefied Petroleum Gas) or contract with a testing or proctoring service, rather than a testing service, to prepare, administer, and grade or review the examination.

(j) Makes conforming changes to this subsection.

(k) Makes a conforming change to this subsection.

SECTION 2. Amends Section 113.088(b), Natural Resources Code, is amended to read as follows:

(b) Requires that RRC, before seminar attendance or examination of any person, except as provided by Subsection (c) (relating to RRC's authority to exempt voluntary firemen, or public employees of the State of Texas, federal government, or state or federal subdivisions from certain fees), rather than as provided by this subsection or Subsection (c), receive a nonrefundable fee for each examination or seminar registration. Deletes existing text relating to the nonrefundable fee a testing service that administers an examination is required to collect.

SECTION 3. Amends Sections 116.034(e) and (f), Natural Resources Code, as follows:

(e) Provides that if the examination is graded or reviewed by a testing or proctoring service, rather than a testing service:

(1) RRC is required to notify the person of the results of the examination not later than the 14th day after the date RRC receives the results from the testing or proctoring service, rather than testing service; and

(2) makes no changes to this subdivision.

(f) Makes a conforming change to this subsection.

SECTION 4. Effective date: September 1, 2021.