

BILL ANALYSIS

H.B. 1647
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Energy Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

In 2017, the 85th Texas Legislature passed S.B. 1871, which created the felony offense of theft of a petroleum product. As a result of that legislation, a person can be prosecuted for unlawfully appropriating petroleum products with the intent to deprive the owner of the product, including by tampering with pipelines or tanks used to store or transport such products. The bill author has informed the committee that organized criminal activity continues to increase and that industry stakeholders have noted that thieves engaged in organized theft of petroleum products often operate across multiple jurisdictions, which complicates efforts to apprehend and charge them due to a lack of coordination between law enforcement authorities. H.B. 1647 seeks to address this growing issue by requiring the Railroad Commission of Texas to establish a statewide task force to study theft of petroleum products and analyze the impacts of that theft and make recommendations, including related outreach and prevention programs and training for law enforcement officers.

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. 1647 requires the Railroad Commission of Texas (RRC) to appoint a task force as soon as practicable after the bill's effective date to conduct a study and make recommendations related to preventing the theft of petroleum products in Texas. The bill requires the task force to include at least one representative from the oil and gas industry, at least one representative from an energy trade association, and representatives from local, state, and federal law enforcement agencies. The bill requires the RRC to designate a member of the task force as the presiding officer and requires the task force to meet at least quarterly at the call of the presiding officer. A task force meeting may be conducted virtually.

H.B. 1647 requires the task force to do the following in conducting the study:

- review laws and regulations addressing the theft of petroleum products in other jurisdictions, including international political and economic organizations;
- analyze the impact of the theft of petroleum products on the collection of sales tax, the long-term economic impacts of the theft of petroleum products, and the advantages and disadvantages of taking various actions to reduce the theft of petroleum products; and
- make recommendations regarding:

- theft of petroleum product outreach and prevention programs, including coordination among stakeholders, including local, state, and federal law enforcement agencies; and
- training for law enforcement officers and prosecutors on effective strategies for combating the theft of petroleum products.

The bill authorizes the members of the task force, in conducting the study, to consult with any organization, governmental entity, or person the task force considers necessary and to collaborate and share information relating to an active criminal investigation with one another regardless of whether the information would otherwise be confidential and exempt from disclosure under state public information law.

H.B. 1647 requires the task force, not later than December 1 of each even-numbered year, to prepare and submit a report of the study to the governor, the lieutenant governor, the speaker of the house of representatives, the RRC, and each standing committee of the legislature with primary jurisdiction over oil and gas matters. The report must include legislative and other recommendations to increase transparency, improve security, enhance consumer protections, prevent the theft of petroleum products, and address the long-term economic impact of the theft of petroleum products. The report may be submitted electronically.

H.B. 1647 makes Government Code provisions relating to state agency advisory committees inapplicable to the duration of the task force or to the designation of the task force's presiding officer. The bill's provisions expire December 31, 2030.

EFFECTIVE DATE

September 1, 2025.