

SUBJECT: Contracting out testing services for liquefied petroleum gas licensing

COMMITTEE: Energy Resources — favorable, without amendment(s)

VOTE: 6 ayes — West, Farabee, Crownover, Corte, Gonzalez Toureilles, Howard
nays — None
1 absent — Crabb

WITNESSES: For — None
Against — None
On — Jackie Standard, Railroad Commission

BACKGROUND: The Railroad Commission of Texas is required to ensure that a liquefied petroleum gas (LP-gas) licensee has sufficient working knowledge of the rules and regulations that affect the type of license for which an application is made. This is accomplished through an examination process, which may cost the licensee \$75. Under section 113.087 of the Natural Resources Code, the Railroad Commission must prepare and administer all LP-gas licensing examinations.

DIGEST: HB 473 would allow the Railroad Commission to contract out testing services for LP-gas licensing examinations and allow them to collect a nonrefundable fee for the commission.

The bill would take effect September 1, 2005.

SUPPORTERS SAY: HB 473 would provide administrative flexibility for the Railroad Commission testing procedures. The agency not only administers licensing examinations but also provides statewide continuing education and training. While the agency now is managing these duties efficiently, any expansion of the licensing program could stretch agency resources.

License seekers are inconvenienced because only three district offices in the state offer testing and tests are infrequent. An independent testing

service could offer examinations regularly and at more locations. Testing quality would not be compromised because the Railroad Commission intends to set all testing criteria and develop all exams. The testing service only would administer the exams. Certification requirements, safety rules, and instruction on LP-gas activities would not change.

**OPPONENTS
SAY:**

When government agencies contract services out to private companies, oversight and accountability are less certain. Although the Railroad Commission would attest to the integrity of new testing system, the agency would be more removed than it is now from the certification process affecting long-term LP-gas safety standards.