

BILL ANALYSIS

Senate Research Center
78R9752 CBH-F

H.B. 1531
By: Cook, Robby (Armbrister)
Business & Commerce
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Engrossed

DIGEST AND PURPOSE

Currently, the Utilities Code contains the general powers of utilities and refers to corporations engaged in the utility business. Recently, some local courts have questioned whether master limited partnerships and limited partnerships are included in the definition of corporation under the Utilities Code. H.B. 1531 provides that a utility organized as a master limited partnership or limited partnership is considered a utility corporation, and includes in the definition any entity that is an electric or gas utility regardless of the form of business organization.

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 Section 181.001(1), Utilities Code, to redefine "corporation" to include a limited partnership, master limited partnership, a combination of business entities composed exclusively of corporations or in which a corporation is a general partner, and a gas utility or electric utility regardless of form of organization, but excludes a municipally owned utility from the definition.

SECTION 2. Effective date: upon passage or September 1, 2003.