

SUBJECT: Pre-empting liquefied petroleum gas ordinances of local governments

COMMITTEE: Energy Resources — favorable, without amendment

VOTE: 9 ayes — Keffer, Crownover, Carter, Craddick, J. Davis, C. Howard,
Lozano, Sheffield, Strama

0 nays

WITNESSES: For — William Van Hoy, Texas Propane Gas Association; (*Registered, but did not testify*: Tony Dale, Ferrellgas)

Against — (*Registered, but did not testify*: David Power, Public Citizen Inc.)

BACKGROUND: The liquefied petroleum gas industry is regulated by the Railroad Commission (RRC) and by local governments throughout the state. Natural Resources Code, sec. 113.051 directs the RRC to promulgate and adopt rules or standards relating to any and all aspects of the liquefied petroleum gas industry that will protect the health, welfare, and safety of the general public.

DIGEST: HB 2663 would add a provision to the Natural Resources Code that the health, welfare, and safety rules and standards adopted by the RRC under sec. 113.051 pre-empt and supersede any ordinance, order, or rule adopted by a political subdivision of Texas relating to any aspect or phase of the liquefied petroleum gas industry.

The bill would take effect on September 1, 2011.

SUPPORTERS SAY: Local regulations for the propane industry often are inconsistent or conflict with the rules adopted by the RRC. The RRC adopts nationally recognized standards for the industry developed by the National Fire Protection Association and adjusts them if necessary. HB 2663 would ensure consistent, uniform statewide regulation of the propane industry.

Some local governments have allowed property owners to use propane to heat a pool or a spa but not a home. There is no science to support the

distinction. HB 2663 would allow science-based standards to prevail over fear, emotion, and local political pressures. A local government still would be able to approach the RRC for an exemption.

**OPPONENTS
SAY:**

Municipalities need the continued ability to regulate propane gas based on location and topography in order to ensure public health, safety, and welfare. Texas is a large state with widely varying physical characteristics in each region. Local regulations often will be more appropriate than a one-size-fits-all approach.