

BILL ANALYSIS

Senate Research Center

S.B. 1658
By: Averitt
Natural Resources
8/12/2009
Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The pipeline safety user fee was created in 2003 to support the pipeline safety program at the Railroad Commission of Texas. The pipeline safety program is funded partially by federal funds and the remainder by general revenue dollars. The first fee was set by rule at 37 cents and this past year it was increased to its current cap of 50 cents. The increase in the fee cap is to fund an exceptional item request to hire additional personnel within the Safety Division to maintain current programs, including damage prevention and safety inspections. Federal funding levels are tied to staffing levels and have been adversely affected by the understaffing of the pipeline safety program.

This legislation raises the fee cap to one dollar annually per service line to allow the safety program to grow in the coming years. The fee is a direct passthrough to the natural gas distribution end-use consumers.

S.B. 1658 increases the pipeline safety user fee from its current cap of 50 cents per distribution service line to one dollar.

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 121.211(d), Utilities Code, to authorize the Railroad Commission of Texas to assess each operator of a natural gas distribution system subject to this chapter an annual inspection fee not to exceed one dollar, rather than 50 cents, for each service line reported by the system on the Distribution Annual Report, Form RSPA F7100.1-1, due on March 15 of each year.

SECTION 2. Effective date: September 1, 2009.