# **BILL ANALYSIS**

C.S.H.B. 2714 By: Bailes Energy Resources Committee Report (Substituted)

## BACKGROUND AND PURPOSE

It has been suggested that regulation of liquefied petroleum gas activities could be streamlined to avoid overlap of regulation and to provide greater regulatory flexibility. C.S.H.B. 2714 seeks to address this issue by setting out provisions relating to the registration of liquefied petroleum gas container manufacturers and the regulation of liquefied petroleum gas licensees.

### **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 rulemaking authority is expressly granted to the Railroad Commission of Texas in SECTIONS 4, 5, and 12 of this bill.

## ANALYSIS

C.S.H.B. 2714 amends the Natural Resources Code to remove the statutorily specified categories of licensed LP-gas activities under the Liquefied Petroleum Gas Code, to require the Railroad Commission of Texas (RRC) instead to establish by rule license categories for LP-gas activities, and to make related changes. The bill removes the manufacture of containers for use in Texas as a licensed activity and provides for the annual registration of container manufacturers and fabricators in accordance with RRC rules instead. The bill removes the specification that certain RRC notifications be mailed. The bill requires the RRC, not later than January 1, 2020, to adopt rules required by the Liquefied Petroleum Gas Code as amended by the bill.

### EFFECTIVE DATE

September 1, 2019.

### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 2714 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute does not include a provision prohibiting a person operating a portable cylinder exchange service from engaging in another LP-gas activity requiring a license at the same location as the service.