

BILL ANALYSIS

Senate Research Center

S.B. 634
By: Brown
Natural Resources
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As Filed

DIGEST

Currently, Texas law categorizes companies that exchange liquefied petroleum-gas (LP-gas) cylinders with the companies that refill, recertify, transport, and repair the cylinders. This has led to overregulation, confusion, and other problems. This bill will establish a specific category for LP-gas cylinder exchange activities and authorize the Railroad Commission to adopt rules that will provide for self-insurance by certain licensees.

PURPOSE

As proposed, S.B. 634 establishes a specific category for LP-gas cylinder exchange activities and authorizes the Railroad Commission to adopt rules that will provide for self-insurance by certain licensees.

RULEMAKING AUTHORITY

Rulemaking authority is granted to the Railroad Commission in SECTIONS 4, 5, and 6 (Sections 113.097(k), 113.131(d), and 116.036(c), Natural Resources Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 113.097, Natural Resources Code, to define "portable cylinder."

SECTION 2. Amends Section 113.082, Natural Resources Code, by amending Subdivisions (F), (I), (J), and by adding Subdivision (P), to authorize a prospective licensee in liquefied petroleum gas (LPG) to apply to the LPG division for a license to engage in a portable cylinder exchange: the operation of a portable cylinder exchange service, where the sale of LP-gas is within a portable cylinder with an LP-gas capacity not to exceed 21 pounds; the portable cylinders are not filled on site, and no other LP-gas activity requiring a license is conducted; the category "P" application and original license fee is an amount not to exceed \$100 as determined by the Railroad Commission (commission), the annual renewal license fee is an amount not to exceed \$50 as determined by the commission.

SECTION 3. Amends Section 113.102, Natural Resources Code, to require all prior LP-gas licenses authorizing portable cylinder exchange activities to be converted to a license identified as a category "P" on an applicant's compliance with the renewal procedure set out in this chapter. Deletes existing text. Makes conforming changes.

SECTION 4. Amends Section 113.097, Natural Resources Code, by adding Subdivision (k), to authorize the commission, by rule, to allow licensees to self-insure under Subsections (d)-(f) of this section. Requires the commission, by rule, to establish standards for such self-insurance.

SECTION 5. Amends Section 113.131(d), Natural Resources Code, to require the commission, by rule, to establish reasonable, nonrefundable annual registration and transfer fees for certain vehicles. Makes conforming changes.

SECTION 6. Amends Section 116.036(c), Natural Resources Code, to authorize the commission, by rule, to allow licensees to self-insure under Subsections (a) and (e) of this section. Requires the commission, by rule, to establish standards for such self-insurance.

SECTION 7. Amends Section 116.072(c), Natural Resources Code, to make conforming changes.

SECTION 8. Effective date: September 1, 1997.

SECTION 9. Emergency clause.