

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 3346
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Natural Resources
5/14/2009
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, a person who is acquiring a natural gas pipeline right-of-way may represent to a property owner that the person has the right to acquire the right-of-way by the use of eminent domain. A change in statute is necessary to prevent a person acquiring pipeline right-of-way and who is not a gas utility as defined by the Utilities Code, from abusing the power of eminent domain.

This bill redefines "gas utility" to include a certain person who represents to a property owner that the person has the right to acquire right-of-way by the use of eminent domain.

C.S.H.B. 3346 amends current law relating to the definition of gas utility.

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 121.001(a), Utilities Code, as follows:

(a) Provides that in this chapter, "gas utility" means a person who owns, manages, operates, leases, or controls in this state property or equipment or a pipeline, plant, facility, franchise, license, or permit for a business that owns, operates, or manages a pipeline for which the right-of-way has been or is hereafter acquired by exercising the right of eminent domain, or by representing to a property owner that the person has the right to acquire right-of-way by the use of eminent domain.

SECTION 2. Amends Section 181.021(2), Utilities Code, to provide that "gas utility" means a person, firm, or corporation subject to the jurisdiction of the Railroad Commission of Texas, or a municipality, engaged in the business of transporting or distributing gas, rather than distributing gas for public consumption.

SECTION 3. Effective date: September 1, 2009.