

BILL ANALYSIS

H.B. 4042
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Energy Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Under current law, the Railroad Commission of Texas (RRC) may regulate the safety of gas pipeline systems and collect annual safety and regulatory fees from operators of these systems. The bill author has informed the committee that the relevant sections dealing with the pipeline safety refer only to "natural gas" distribution pipelines and pipeline facilities in key definitions and regulatory provisions and do not include propane distribution systems. H.B. 4042 seeks to address this issue by removing the term "natural" from various definitions and provisions to ensure that propane gas distribution systems fall under the RRC's pipeline safety oversight and fee collection authority.

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 this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 4042 amends the Utilities Code to remove the specification that gas is natural gas with respect to the following:

- gas distribution pipelines, gas master metered pipelines, gas distribution systems, and gas master metered systems whose operators may be subject to annual pipeline safety and regulatory fees; and
- a distribution gas pipeline facility subject to statutory provisions relating to the installation, removal, and replacement of certain pipelines and statutory provisions relating to pipeline incident reporting and records.

EFFECTIVE DATE

September 1, 2025.