BILL ANALYSIS

Senate Research Center 77R14630 SMH-F

H.B. 3348 By: Counts (Duncan) Natural Resources 5/11/2001 Engrossed

DIGEST AND PURPOSE

Price volatility makes it difficult for the oil and gas industry to provide needed job training for field personnel. Currently, the industry has a shortage of employees. There is a need for well-financed, ongoing training programs for employees in oil and gas industry. A successful public education program concerning such industries will serve the people of the state and provide understanding concerning the prices of energy. H.B. 3348 creates the Texas Energy Resource Council and the energy resource account.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the comptroller of public accounts in SECTION 1 (Section 5.04, Article 4413(47g), Title 70, V.T.C.S.) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Title 70, Revised Statutes, by adding Article 4413(47g), as follows:

Art. 4413(47g). TEXAS ENERGY RESOURCE COUNCIL

PART 1. GENERAL PROVISIONS

Sec. 1.01. DEFINITIONS. Defines "condensate," "first purchaser," "gas," "oil," "person," and "producer."

PART 2. TEXAS ENERGY RESOURCE COUNCIL

Sec. 2.01. COMPOSITION OF COUNCIL. Sets forth the composition of the Texas Energy Resource Council (council).

Sec. 2.02. TERMS; VACANCIES. Provides for council members' terms and the filling of a vacancy on the council.

Sec. 2.03. OFFICERS. Provides for the election of officers of the council.

Sec. 2.04. COMPENSATION. Prohibits a member of the council from receiving compensation for service performed for the council. Entitles a member to reimbursement, subject to any applicable limitation provided by the General Appropriations Act, for actual or necessary expenses incurred in performing services as a member of the council. Provides that money paid to a council member under this section shall be paid from the energy resource account.

PART 3. POWERS AND DUTIES OF COUNCIL

Sec. 3.01. POWERS AND DUTIES OF COUNCIL. Sets forth powers and duties

of the council.

PART 4. ENERGY RESOURCE ACCOUNT

Sec. 4.01. ENERGY RESOURCE ACCOUNT. Sets forth provisions regarding the energy resource account.

PART 5. ASSESSMENT

- Sec. 5.01. IMPOSITION OF ASSESSMENT. Sets forth provisions regarding the imposition of assessments on producers.
- Sec. 5.02. DEPOSIT OF ASSESSMENT. Sets forth provisions regarding the deposit of assessments.
- Sec. 5.03. COLLECTION OF ASSESSMENT. Sets forth provisions regarding the collection of assessments.
- Sec. 5.04. REFUND OF ASSESSMENT. Sets forth provisions regarding refunds of assessments.
- SECTION 2. (a) Requires the governor, as soon as practicable after receiving the lists described by Section 2.01(c), Article 4413(47g), Revised Statutes, as added by this Act, to appoint persons to serve on the Texas Energy Resource Council as required by Sections 2.01(b) and (c), Article 4413(47g), Revised Statutes, as added by this Act. Requires the governor to designate four persons to serve on the council for terms expiring February 1, 2003, four persons to serve on the council for terms expiring February 1, 2005, and four persons to serve on the council for terms expiring February 1, 2007.
 - (b) Requires, as soon as practicable after taking office, the members of the Texas Energy Resource Council appointed under Sections 2.01(b) and (c), Article 4413(47g), Revised Statutes, as added by this Act, to appoint one person to serve on the council for a term expiring February 1, 2003, one person to serve on the council for a term expiring February 1, 2005, and one person to serve on the council for a term expiring February 1, 2007.
- SECTION 3. (a) Effective date: September 1, 2001, except as otherwise provided by this section.
 - (b) Provides that Part 5 of Article 4413(47g), Revised Statutes, as added by this Act, takes effect January 1, 2002, and applies only to oil, gas, and condensate produced and saved on or after that date.