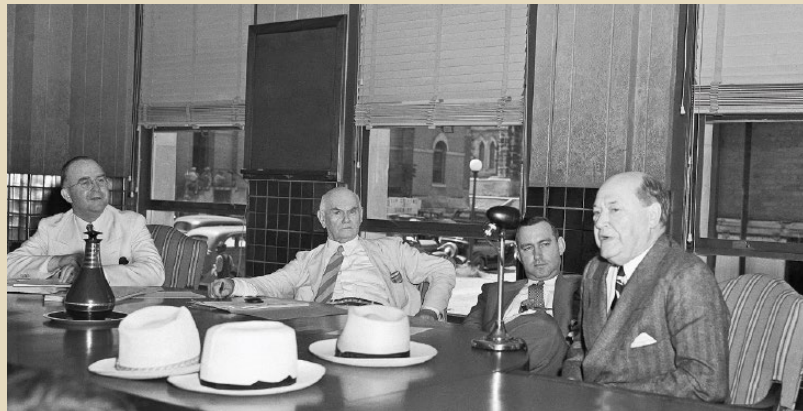




# TEXAS *Legends*

## Railroad Commission of Texas



One of the legends of Texas government is the Railroad Commission of Texas. While the commission is the oldest regulatory agency in Texas and one of the few elected regulatory agencies in the nation, today the commission fails to live up to its name. In November 1890, Texas voters approved an amendment to the Texas Constitution that empowered the legislature to create an agency to regulate railroads. While the state had initially encouraged the railroads, by the 1890s many Texans, especially farmers, had grown to resent them. The Texas Traffic Association, an organization made up of the major railroads, set the rates, and, due to poor roads and unnavigable rivers, Texas farmers had no real alternatives

for shipping goods. In 1891, the legislature followed up by establishing the Railroad Commission of Texas. Initially, commissioners were appointed by the governor. However, voters in 1894 approved an amendment making the commissioners officials who were elected to six-year terms. Since that time, the Railroad Commission has had the unique designation of being a regulatory agency headed by elected officials.

Attorney General James Stephen Hogg had made the call for the creation of a railroad commission the centerpiece of his campaign for governor. The railroads labeled Hogg “communistic,” but his reforms proved popular and his election represented the first stirrings of a populist

reform movement in Texas. The creation of the Railroad Commission was proclaimed to be a way of producing fair competition, but in its actual workings, the commission was used more to restrict out-of-state railroads and protect Texas-based businesses from international competitors.

In the 1920s, the Railroad Commission was given responsibility for regulating motor carriers in addition to railroads. However, the responsibility for motor carriers ended in 1994 when trucking was deregulated and responsibility for trucking safety moved to the Texas Department of Transportation (TxDOT).

Today, about three-quarters of the commission’s efforts are focused on regulating oil and natural gas exploration and production. The Railroad Commission also oversees natural gas and hazardous liquids pipeline operations, natural gas utilities, LP gas service, and coal and uranium mining.

In 2005, the commission’s responsibility for rail safety was transferred to the TxDOT, the last step in removing the railroads from the responsibility of the Railroad Commission. While the commission retains the distinction of being the state’s oldest regulatory agency, nothing remains of its original mission and the Railroad Commission of Texas no longer regulates railroads.