

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATURE 3rd CALLED SESSION -2003

September 18, 2003

TO: Honorable Teel Bivins, Chair, Senate Committee on Finance

FROM: John Keel, Director, Legislative Budget Board

IN RE: **HB36** by Smith, Wayne (Relating to compliance histories for and incentives to reward compliance performance by entities regulated by the Texas Commission on Environmental Quality.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

This bill makes several changes to the Texas Commission on Environmental Quality's (TCEQ's) performance-based regulatory system. It would establish a set of standards for the classification of a person's compliance history at a particular site, and it would require the TCEQ to develop compliance standards and classify categories of regulated entities being inspected at least annually. The agency expects that these changes would require new rulemaking, guidance, and extensive programming changes to the Consolidated Compliance and Enforcement Database as well as the State of Texas Environmental Electronic Reporting System. The agency also expects that additional staff resources would be required to track, classify and score compliance history.

This estimate assumes that any costs associated with implementing the provisions of the bill would be spread among several methods of finance, and that there would be no significant impact to any individual account. This estimate also assumes that the agency would not require significant additional FTE to implement the provisions of the bill.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 582 Commission on Environmental Quality

LBB Staff: JK, CL, TL