

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

May 9, 2003

TO: Honorable Kenneth Armbrister, Chair, Senate Committee on Natural Resources

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB2252 by Flores (Relating to exemptions for certain individuals from cost recovery actions and liens placed on homesteads by the Texas Commission on Environmental Quality.), **As Engrossed**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would be amended to create an exception as to when the Texas Commission on Environmental Quality (TCEQ) may recover costs by filing a lien or a cost recovery lawsuit and establishes a requirement for a financial capability determination to be done when the responsible party's homestead includes a facility where hazardous materials have been stored. The bill does not allow the TCEQ to file a lien or cost recovery lawsuit if: 1) the individual's homestead is the individual's only significant asset; 2) the homestead includes the facility subject to or affected by the remedial action; 3) the homestead is occupied by the individual as a home; and 4) the homestead has a fair market value of \$250,000 or less.

The bill would increase the workload of the TCEQ, since the agency would have to determine whether certain individuals homesteads meet the exemption requirements of the bill. However, it is expected that the agency could reasonably absorb such costs within its existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 582 Commission on Environmental Quality

LBB Staff: JK, CL, TL