

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

February 21, 2005

TO: Honorable Dennis Bonnen, Chair, House Committee on Environmental Regulation

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB965 by Haggerty (Relating to a prohibition on the regulation of emissions from residential water heaters.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would prohibit the Texas Commission on Environmental Quality (TCEQ) from regulating emissions from residential water heaters. Although the bill's passage would result in the TCEQ being required to enact rule changes, no significant impact to the TCEQ's budget is expected. However, the agency reports that it has adopted regulations for residential water heaters, and those regulations are control measures which receive credit in the federally-approved State Implementation Plan (SIP). If the agency is required to remove residential water heater regulations from the SIP, the credits would have to be replaced with some other control measures to comply with the Federal Clean Air Act.

Local Government Impact

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

Source Agencies: 582 Commission on Environmental Quality

LBB Staff: JOB, WK, ZS, TL