

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 24, 2007

TO: Honorable Tom Craddick, Speaker of the House, House of Representatives

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

IN RE: HB3769 by Puente (Relating to the eligibility of an employee of a political subdivision of this state to be a member of the governing body of certain state agencies.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would allow an employee of a political subdivision to be a member of the Texas Commission on Environmental Quality (TCEQ) or the Water Development Board. Specifically, the bill would create an exception to the current law that prohibits a person from being a Commissioner or Board member if the person or the person's spouse is employed by or participates in the management of a an entity regulated by the respective agency or receiving money from the respective agency. Under current law, a person may not be a Commissioner or Board member if the person or the person's spouse is (1) employed by or participates in the management of or (2)owns or controls (directly or indirectly) more than 10 percent interest in a "business entity or other organization" regulated by the respective agency. The bill would exempt political subdivisions employees from this restriction, thus allowing a person to serve on the TCEQ or Water Development Board even though the person or their spouse might hold a position in a political subdivision. However, if the U.S. Environmental Protection Agency determined that there would be a negative impact on Texas' National Pollution Discharge Elimination Systems delegation, the exceptions proposed by the bill would not apply.

Local Government Impact

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

Source Agencies: 582 Commission on Environmental Quality, 580 Water Development Board

LBB Staff: JOB, SD, WK, ZS, TL