

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 16, 2007

TO: Honorable Kip Averitt, Chair, Senate Committee on Natural Resources

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

IN RE: SB1855 by Gallegos (Relating to the regulation of toxic hotspots under the Texas Clean Air Act.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would require the Texas Commission on Environmental Quality (TCEQ) to establish a toxic hotspot pilot program and establish a designation for high, medium, and low priority hotspots. The TCEQ would be directed to take cooperative actions necessary to ensure that the ambient air concentrations of priority toxic air contaminants in toxic hotspots are below established ambient air toxic standards. The TCEQ would be required to expand the pilot project by December 2011 adopting new rules to include additional priority air toxic contaminants, including chromium (VI), ethylene dibromide, acrylonitrile, acrolein, chlorine, and hexamethylene diisocyanate. Standards, deadlines, administration, and reporting requirements for the expanded program are also specified in the bill.

Enactment of the legislation could result in the TCEQ needing to reopen previously issued air permits. Additional monitoring, modeling, and tracking may also be required. However, the TCEQ reports that it would expect to handle any additional workload resulting from the bill's passage using existing resources.

Local Government Impact

Local governments operating facilities that emit the air contaminants could be subject to reporting requirements or compliance costs to achieve specified emission limits by specified dates upon enactment of the bill. The cost would depend on the degree to which a facility currently exceeds limits proposed by the bill.

Source Agencies: 582 Commission on Environmental Quality

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