

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 11, 2009

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

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

IN RE: SB458 by Gallegos (Relating to allowing the Texas Commission on Environmental Quality to impose more stringent conditions for existing air quality permits to avoid a condition of air pollution.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would allow the Texas Commission on Environmental Quality (TCEQ) to establish and enforce more stringent permit conditions for air quality permits if it is necessary to avoid a condition of air pollution. This would allow the agency to change and enforce new, more stringent permit conditions for previously issued permits. Under current law, the agency is restricted to changing permit conditions when a permit is being renewed.

The TCEQ reports that the bill's passage could result in an increase in revenues from permit fees because the agency could assess fees when permits are reopened. The number of permits that would need to be reopened in order to impose more stringent controls to avoid a condition of air pollution is not expected to be large, and therefore the increase in revenue is not expected to be significant.

Local Government Impact

Local governments that have air permits requiring the TCEQ to impose more stringent permit conditions could be assessed a permit amendment fee (0.3 percent of the cost of the project's capital expense) that ranges from a minimum of \$900 to a maximum of \$75,000. The TCEQ reports that permit amendment fees for local governments would be expected to be on the lower end of the fee range.

Source Agencies: 582 Commission on Environmental Quality

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