#### **BILL ANALYSIS**

C.S.H.B. 3541 By: Smith, Wayne Environmental Regulation Committee Report (Substituted)

#### **BACKGROUND AND PURPOSE**

Under the federal Clean Air Act, certain major sources of emissions must demonstrate compliance with newly promulgated national ambient air quality standards as a pre-condition to construction activity. Other sources, however, are not required to demonstrate compliance with such standards until after a state implementation plan has been developed for the standards. States generally have three years to develop a plan for the incorporation of a national ambient air quality standard.

There is concern that the Texas Commission on Environmental Quality (TCEQ) recently adopted an oil and gas permitting process by rule that, among other provisions, requires certain sources of emissions in the oil and gas industry immediately to demonstrate compliance with certain standards, including certain emissions standards, even though a plan has not yet been adopted for those standards. C.S.H.B. 3541 seeks to address these issues by limiting the extent to which TCEQ can require a demonstration of compliance with certain national ambient air quality standards.

# **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.H.B. 3541 amends the Texas Clean Air Act to prohibit the Texas Commission on Environmental Quality from requiring an applicant for a permit to construct or modify a source of air contaminants other than a major emitting facility to demonstrate that the source complies with a national ambient air quality standard unless compliance with the standard is required for that source by the state implementation plan adopted to implement, maintain, and enforce that standard in accordance with the federal Clean Air Act or another provision of the Texas Clean Air Act.

#### **EFFECTIVE DATE**

September 1, 2011.

## **COMPARISON OF ORIGINAL AND SUBSTITUTE**

C.S.H.B. 3541 differs from the original, in a bill provision prohibiting the Texas Commission on Environmental Quality from requiring an applicant for a permit to demonstrate compliance with a national air standard unless compliance is required by certain federal or state law, by adding a reference to compliance with the standard as required by another provision of the Texas Clean Air Act.

C.S.H.B. 3541 differs from the original in nonsubstantive ways.

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