

BILL ANALYSIS

C.S.H.B. 2290
By: Lozano
Environmental Regulation
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The Texas Commission on Environmental Quality assesses fines to organizations found to have caused environmental harm, and, in lieu of the fine, an organization may fund a supplemental environmental project. Interested parties note that some rural counties find the requirements to administer these project funds are burdensome if they do not have enough administrative employees. C.S.H.B. 2290 seeks to remedy this issue by allowing certain entities to spend a portion of the money received on administrative costs associated with implementing the project.

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. 2290 amends the Water Code to authorize the Texas Commission on Environmental Quality to allow a local government or a charitable organization exempted from federal income tax under the federal Internal Revenue Code of 1986 that receives money from a respondent to implement a supplemental environmental project to use a portion of the money, capped at 10 percent of the direct cost of the project, for administrative costs associated with implementing the project, including overhead costs, personnel salary and fringe benefits, and travel and per diem expenses. The bill applies its provisions to money received to implement a supplemental environmental project regardless of whether the money was received on, before, or after the bill's effective date.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2013.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 2290 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and highlighted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Section 7.067, Water Code, is amended by adding Subsection (c) to read as follows:
(c) The commission may allow a local government

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Section 7.067, Water Code, is amended by adding Subsection (c) to read as follows:
(c) The commission may allow a local government or an organization exempt from federal income taxation under Section

that receives money to implement a supplemental environmental project under this section to retain a portion of the money, not to exceed 10 percent of the amount received, for administrative costs associated with implementing the project. In making the determination, the commission shall solicit the input of the Texas Association of Resource Conservation and Development Areas, Inc., as to whether the amount is justified.

SECTION 2. Section 7.067(c), Water Code, as added by this Act, applies to money received by a local government under Section 7.067, Water Code, regardless of whether the money was received on, before, or after the effective date of this Act.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.

501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c)(3) of that code, that receives money from a respondent to implement a supplemental environmental project under this section to use a portion of the money, not to exceed 10 percent of the direct cost of the project, for administrative costs, including overhead costs, personnel salary and fringe benefits, and travel and per diem expenses, associated with implementing the project.

SECTION 2. Section 7.067(c), Water Code, as added by this Act, applies to money received to implement a supplemental environmental project under Section 7.067, Water Code, regardless of whether the money was received on, before, or after the effective date of this Act.

SECTION 3. Same as introduced version.