LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

March 17, 2013

TO: Honorable Patricia Harless, Chair, House Committee On Environmental Regulation

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB147 by Burkett (Relating to the regulatory analysis of rules proposed by the Texas Commission on Environmental Quality.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would require the Texas Commission on Environmental Quality (TCEQ) to conduct a regulatory analysis for proposed and adopted environmental rules as established in the bill. The agency would be required to conduct impact analysis to identify the problem a proposed rule is intended to address; identify the environmental effects that are expected to result from the rule, including the projected level of reduction of any air, water or waste pollutants/contaminants; identify and describe the compliance costs expected for state agencies, local governments, the public, and affected regulated entities; and identify and describe the compliance costs expected for small businesses. If the proposed rule would be included in the state implementation plan (SIP), the bill would require the agency to include the modeled improvement for the criteria pollutant design value expected from implementation of the rule.

The bill would require the TCEQ to consider public comment and prepare a final regulatory analysis as part of rule adoptions. A person submitting a comment would be authorized to challenge the validity of an environmental rule that is not proposed and adopted in strict compliance with the procedural requirements of the bill by filing a declaratory judgment action within 30 days of the effective date of the rule. A rule would be invalid if a court would determine that the rule was not in strict compliance with its procedural requirements when proposed or adopted.

Passage of the bill is not expected to result in significant costs to the TCEQ.

Local Government Impact

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

Source Agencies: 582 Commission on Environmental Quality

LBB Staff: UP, SZ, TL