

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 22, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB2354** by White (Relating to the stringency of environmental regulations adopted by state agencies.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the sections of the Government Code that require a Regulatory Analysis of Major Environmental Rules when analyzing the impact of rules regarding environmental issues. Specifically, the would provide that a state agency may not by rule adopt an environmental standard or requirement that exceeds a standard set by federal or state law, except in specified circumstances. The bill would also to prohibit the Texas Commission on Environmental Quality (TCEQ) from implementing more stringent air emissions control requirements than are required by federal law, and it would prohibit the Railroad Commission from adopting and enforcing rules that are more stringent than federal hazardous waste regulations.

This analysis assumes that the bill's prohibitions against agencies enacting rules that are more stringent than federal standards would only apply to rules adopted by agencies after the effective date of the bill, which would take effect immediately if it would receive a two-thirds vote in both houses or on September 1, 2013. Thus, no significant fiscal implication to the state is expected as a result of the bill's passage. Going forward, TCEQ and the Railroad Commission could be limited in abilities to adopt rules to address specific situations because the agencies would be limited to regulatory standards at federally established levels.

If, as a result of the bill's passage, agencies would have to review existing rules to determine which ones might be more stringent than federal limits, and if this would require that the agencies re-adopt rules as necessary, there could be some costs to the agencies. This analysis assumes that such costs could be absorbed by the respective agencies using existing resources.

Local Government Impact

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

Source Agencies: 307 Secretary of State, 360 State Office of Administrative Hearings, 582 Commission on Environmental Quality

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