

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 27, 2015

TO: Honorable Geanie Morrison, Chair, House Committee on Environmental Regulation

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3450 by Laubenberg (Relating to the Texas Commission on Environmental Quality, emissions, state sovereignty and certain actions taken by the United States Environmental Protection Agency.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would require the Texas Commission on Environmental Quality (TCEQ) to notify the governor, lieutenant governor and the speaker of the house within 10 days of learning that the U.S. Environmental Protection Agency (EPA) has initiated enforcement under the Federal Clean Air Act (FCAA) against the state, or when the state has reason to believe that EPA will initiate enforcement against the state under the FCAA. Such notification would also be required by TCEQ within 10 days of learning that a permit application under the FCAA for a facility located in Texas has been pending with EPA for more than one year and the TCEQ has determined the facility, equipment and tangible property has no emissions, as well as if the the EPA has proposed or adopted a rule or regulation under the FCAA that adversely affects the state's sovereignty or economic development or state determination of emissions levels or job creation in Texas. The notice requirement would also apply when the EPA is considering prohibiting a category of emissions or imposing more stringent standards for a category of emissions under the FCAA, the TCEQ has a dispute with EPA relating to the issuance of permits or proposed or adopted rules or regulations relating to emissions, or when EPA has an objection to the Texas Emissions Reduction Plan.

The bill would provide that before adopting an environmental rule, the TCEQ would be required to conduct a regulatory analysis that considers the cost and environmental effects and benefits expected to result from implementation of and compliance with the rules.

No significant costs to the TCEQ are expected as a result of the bill's passage.

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