By: Burkett

H.B. No. 815

	A BILL TO BE ENTITLED
1	AN ACT
2	relating to the regulatory analysis of rules proposed by the Texas
3	Commission on Environmental Quality.
4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
5	SECTION 1. Subchapter D, Chapter 5, Water Code, is amended
6	by adding Section 5.1032 to read as follows:
7	Sec. 5.1032. ADOPTION OF ENVIRONMENTAL RULES. (a) In this
8	section:
9	(1) "Benefit" has the meaning assigned by Section
10	2001.0225, Government Code.
11	(2) "Cost" means a reasonably identifiable and
12	significant direct or indirect economic effect.
13	(3) "Environmental effect" means a reasonably
14	identifiable and quantifiable direct or indirect effect or outcome
15	affecting the environment, including air, soil, or water quality.
16	(4) "Environmental rule" means a rule the specific
17	intent of which is to protect the environment or reduce risks to
18	human health from environmental exposure by the control of
19	emissions or contaminants in the air, water, or soil. The term does
20	not include an emergency rule or a rule that provides only
21	procedural requirements.
22	(5) "Small business" means a business that employs not
23	more than 250 individuals.
24	(b) Before adopting an environmental rule, the commission

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shall conduct a regulatory analysis that considers the costs and 1 2 environmental effects and benefits expected to result from 3 implementation of and compliance with the rule. 4 (c) When giving notice of an environmental rule, the 5 commission shall incorporate into the public benefits and costs note required by Section 2001.024, Government Code, an analysis 6 7 describing the anticipated effects of the proposed rule. The analysis, at a minimum, must: 8 9 (1) identify the problem the rule is intended to 10 address; (2) identify the environmental effects and benefits 11 12 that the commission expects to result from implementation of and compliance with the rule, including the projected level of 13 14 reduction of pollutants or contaminants in air, water, and soil 15 media; 16 (3) identify and describe the compliance costs that 17 the commission expects that state agencies, local governments, the public, and the affected regulated entities, other than small 18 19 businesses, will incur from implementation of and compliance with 20 the rule; and 21 (4) identify and describe in a separate economic 22 impact analysis the compliance costs that the commission expects that small businesses will incur from implementation of and 23 24 compliance with the rule. (d) In identifying the environmental effects and benefits 25 26 of a rule under Subsection (c)(2), the commission shall include the modeled improvement for the criteria pollutant design value 27

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expected from implementation of the rule, if the rule will be 1 2 submitted as a control measure in this state's air quality state 3 implementation plan. 4 (e) After considering public comments submitted under 5 Section 2001.029, Government Code, and determining that a proposed rule should be adopted, the commission shall prepare a final 6 7 regulatory analysis that complies with Section 2001.033, 8 Government Code. (f) A person who submitted a comment in accordance with 9 10 Section 2001.029, Government Code, may challenge the validity of an environmental rule that is not proposed and adopted in strict 11 12 compliance with the procedural requirements of this section by filing an action for declaratory judgment as provided by Section 13 2001.038, Government Code, not later than the 30th day after the 14 effective date of the rule. If the court determines that an 15 environmental rule was not proposed and adopted in strict 16 17 compliance with the procedural requirements of this section, the rule is invalid except that a rule to be included in this state's 18 19 air quality state implementation plan may not be invalidated for failure of strict compliance if the invalidation will prevent the 20 timely implementation of a federal requirement. 21

22 (g) If a court determines that an environmental rule is 23 invalid under Subsection (f), the provisions of Section 2001.040, 24 <u>Government Code, apply.</u>

25 SECTION 2. The change in law made by this Act applies only 26 to a rule proposed by the Texas Commission on Environmental Quality 27 for which notice is given under Sections 2001.023 and 2001.024,

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1 Government Code, on or after December 1, 2017.

2 SECTION 3. This Act takes effect September 1, 2017.