

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**March 12, 2017**

**TO:** Honorable Joseph Pickett, Chair, House Committee on Environmental Regulation

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB815** by Burkett (Relating to the regulatory analysis of rules proposed by the Texas Commission on Environmental Quality.), **As Introduced**

<p><b>No significant fiscal implication to the State is anticipated.</b></p>
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The bill would require the Texas Commission on Environmental Quality (TCEQ) to conduct new regulatory analysis for proposed and adopted environmental rules, as defined 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 or 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 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. Rules included in the SIP may not be invalidated if the invalidation will prevent implementation of a federal requirement.

TCEQ estimates there would be a minimal cost associated with implementing the provisions of the bill.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 582 Commission on Environmental Quality

**LBB Staff:** UP, SZ, MW, MSO