

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 24, 2017

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2753 by Reynolds (Relating to the analysis of inspection and maintenance requirements for air quality permits issued by the Texas Commission on Environmental Quality for certain oil and gas facilities.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend Texas Health and Safety Code by adding Section 382.051965 to require the Texas Commission on Environmental Quality (TCEQ) to examine rules and requirements concerning certain permits for oil and gas facilities and to prepare a report that addresses issues raised from this examination and suggests options for improving safety, preventing air emissions from oil and gas equipment, and reducing emissions from certain facilities. TCEQ would be required to issue and make available for public comment a preliminary report not later than January 1, 2018, and would be allowed to hold meetings to consider public comment. When preparing the suggested options in the report, TCEQ may consider both regulatory and incentive approaches, and may cooperate with the Railroad Commission in developing the report and obtaining public comment. After considering public comment, if any, but not later than June 1, 2018, TCEQ would be required to post online the final report. The bill would not prevent TCEQ from adopting rules on the issues contained in the study. The bill would take effect September 1, 2017.

TCEQ and the Railroad Commission estimate that the provisions of the bill could be implemented using existing resources.

Local Government Impact

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

Source Agencies: 455 Railroad Commission, 582 Commission on Environmental Quality

LBB Staff: UP, SZ, MSO, EMu, PBO