**BILL ANALYSIS**

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| Senate Research Center | S.B. 698 |
|  | By: Birdwell |
|  | Natural Resources & Economic Development |
|  | 5/28/2019 |
|  | Enrolled |

**AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Under current law, the Texas Commission on Environmental Quality (TCEQ) is authorized to add a surcharge to an application fee for an expedited application in an amount to cover the expenses incurred for expediting an application. The surcharge may only be used to cover the expenses incurred for overtime or contract labor to process an expedited permit application. TCEQ has utilized both contract labor and overtime in an effort to meet the demand for the expedited permit program, but the demand for the program has increased significantly over the past few years, which has resulted in diminishing returns of the utility of the program in its current form.

S.B. 698 amends Section 382.05155 of the Health and Safety Code to allow TCEQ to use full‑time equivalent employees, in addition to overtime and contract labor, to support the processing of air permit applications in an expedited manner to keep Texas competitive with other states. The surcharges to expedite an application are paid entirely by applicants and will cover the costs associated with the use of the full-time equivalent employees authorized under the bill.

By allowing TCEQ the ability to fund full-time employees who support the expedited permit program during a standard work week, the agency would be able to significantly increase the number of staff dedicated to work expedited permit applications to improve processing times and keep Texas competitive with other states. (Original Author's/Sponsor's Statement of Intent)

S.B. 698 amends current law relating to the expedited processing of certain applications for permits under the Texas Clean Air Act.

**RULEMAKING AUTHORITY**

Rulemaking authority previously granted to the Texas Commission on Environmental Quality is modified in SECTION 1 (Section 382.05155, Health and Safety Code) of this bill.

**SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Sections 382.05155(d), (e), and (f), Health and Safety Code, as follows:

(d) Authorizes the Texas Commission on Environmental Quality (TCEQ) by rule to add a surcharge to an application fee assessed under this chapter (Clean Air Act) for an expedited application in an amount sufficient to cover the expenses incurred by the expediting, including overtime, costs of full-time equivalent TCEQ employees to support the expedited processing of air permit applications, contract labor, and other costs, rather than the expenses incurred by the expediting, including overtime, contract labor, and other costs. Authorizes money from the surcharge collected under this section (Expedited Processing of Application) to be used to support the expedited processing of air permit applications under this section.

(e) Authorizes TCEQ to authorize the use of overtime, full-time equivalent TCEQ employees to support the expedited processing of air permit applications, or contract labor, rather than overtime or contract labor, to process expedited applications. Provides that the overtime, full-time equivalent TCEQ employees, or contract labor authorized under this section is not included in the calculation of the number of full-time equivalent TCEQ employees allotted under other law. Makes a conforming change.

(f) Authorizes TCEQ to pay for compensatory time, overtime, full-time equivalent TCEQ employees supporting the expedited processing of air permit applications, or contract labor, rather than compensatory time, overtime, or contract labor, used to implement this section. Authorizes TCEQ to set the rate for overtime compensation for full-time equivalent TCEQ employees supporting the expedited processing of air permit applications.

SECTION 2. Effective date: September 1, 2019.