

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

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**April 30, 2019**

**TO:** Honorable J. M. Lozano, Chair, House Committee on Environmental Regulation

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE: HB3035** by Zwiener (Relating to the relationship between the amount of an administrative penalty imposed by the Texas Commission on Environmental Quality and the economic benefit of the violation to the alleged violator.), **As Introduced**

**The fiscal implications to the State cannot be determined because the amount of revenue that would be realized from administrative penalties assessed based on the value of economic benefit is unknown.**

The bill would amend the Water Code to require the Texas Commission on Environmental Quality to consider the economic benefits gained by an alleged violator when determining the amount of an assessed administrative penalty and would require that the assessed penalty not exceed the estimated economic benefit gained. The bill requires TCEQ to provide an alleged violator with an opportunity to review the information on which the economic benefit calculation is based and to demonstrate that the calculation does not reflect the actual circumstances.

According to the Comptroller of Public Accounts and TCEQ, the bill's provisions could potentially increase the amount of assessed administrative penalties that are deposited to the credit of the General Revenue Fund; however, the amount of additional penalty revenue that would be realized cannot be estimated.

**Local Government Impact**

The fiscal implications of the bill cannot be determined at this time

**Source Agencies:**        304 Comptroller of Public Accounts, 582 Commission on Environmental Quality

**LBB Staff:** WP, SZ, MW, GDz