

## **BILL ANALYSIS**

Senate Research Center

S.B. 633  
By: Brown  
Natural Resources  
3-11-97  
Committee Report (Amended)

### **DIGEST**

Currently, Texas law does not require state agencies to consider the impact of proposed regulations on the public, regulated community, local governments, and state agencies. In 1995, the Senate passed S.B. 978, which would have required an agency adopting an environmental regulation to conduct a cost-benefit analysis study prior to adoption of a rule. The bill died in the House and became the subject of a Senate Natural Resources Committee interim study charge. The committee recommended that the legislature opt for a broader approach of information gathering on major environmental regulations. This approach avoids placing a "price tag" on benefits to the environment and human health, focusing instead on full disclosure of information, assumptions, and data on which the proposing agency has relied in drafting the rule. This bill will provide regulations state agencies must follow when adopting certain environmental rules.

### **PURPOSE**

As proposed, S.B. 633 provides regulations state agencies must follow when adopting certain environmental rules.

### **RULEMAKING AUTHORITY**

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 2001, Government Code, by adding Section 2001.0225, as follows:

Sec. 2001.0225. REGULATORY ANALYSIS OF MAJOR ENVIRONMENTAL RULES. Provides that this section applies only to a major environmental rule adopted by a state agency which leads to certain results. Requires a state agency, before adopting a major environmental rule subject to this section, to conduct a regulatory analysis that addresses certain issues. Requires a state agency, when giving notice of a major environmental rule subject to this section, to incorporate into the fiscal note required by Section 2001.024 a draft impact analysis describing the anticipated effects of the proposed rule. Requires the draft impact analysis, at a minimum, to include certain items. Sets forth criteria the state agency is required to meet prior to adopting a proposed rule, while preparing the draft impact analysis, and in making its final regulatory decision. Authorizes certain persons to challenge the validity of a major environmental rule that is not proposed and adopted in accordance with the procedural requirements of this section by filing an action for declaratory judgment under Section 2001.038 not later than the 30th day after the effective date of the rule. Provides that, if a court determines that a major environmental rule was not proposed and adopted in accordance with the procedural requirements of this section, the rule is invalid. Defines "benefit," "cost," and "major environmental rule."

SECTION 2. Effective date: September 1, 1997.  
Makes application of this Act prospective.

SECTION 3. Emergency clause.

## **SUMMARY OF COMMITTEE CHANGES**

Amends SECTION 1, Section 2001.0225(d), Government Code, to delete a provision requiring a state agency to make every effort to adopt rules that provide the maximum flexibility to the regulated community in complying with the rule.