

BILL ANALYSIS

Senate Research Center

H.B. 4932
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Natural Resources & Economic Development
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, the Environmental Protection Agency (EPA) lists four metropolitan areas (Dallas, Houston, San Antonio, and El Paso) as being in nonattainment under the National Ambient Air Quality Standards (NAAQS) for fine particulate matter. This designation from EPA significantly increases the cost of doing business and results in manufacturing and refining operations having difficulty getting permits or being forced to adopt expensive emissions control measures. For example, a study from Texas A&M University Corpus-Christi states that should Corpus Christi fail to meet EPA ozone standards, the area would face economic losses between \$600 million and \$1.7 billion each year.

Section 179(B) of the Clean Air Act says that states, as part of their implementation plans, can show that nonattainment areas would be in attainment if not for foreign sources of pollution. EPA is then required to redesignate the area as in attainment. For example, the Texas Commission on Environmental Quality (TCEQ) is currently petitioning EPA to redesignate the City of El Paso as in attainment but for emissions from Mexico. Their assessment found that 60 percent of the pollutants detected in El Paso are coming from right across the border in Juarez, Mexico.

With the EPA seeking to tighten the NAAQS for both ozone and particulate matter within the next 18 months, more areas of Texas will likely be brought into nonattainment. As evidenced during the COVID-19 lockdowns, a 50 percent reduction in vehicle miles traveled did not measurably impact pollution level in Texas cities. This is a strong indication that natural and imported sources of pollution are the primary contributors to pollution levels here. Meeting or exceeding tighter standards may not be possible without severe economic harm.

H.B. 4932 seeks to solve this problem by directing TCEQ to request EPA to provide data on foreign sources of pollution in Texas cities within six months. If EPA does not provide the data in a timely manner, TCEQ is directed to do its own studies to calculate the contribution of foreign sources of pollution. This is something TCEQ already does to some extent and is a well-established part of the NAAQS process.

H.B. 4932 amends current law relating to the amount of foreign emissions of air contaminants in nonattainment areas and the revision of the state implementation plan to account for those emissions.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter B, Chapter 382, Health and Safety Code, by adding Section 382.0175, as follows:

Sec. 382.0175. AMOUNT OF FOREIGN EMISSIONS IN NONATTAINMENT AREAS; REVISION OF STATE IMPLEMENTATION PLAN. (a) Defines "foreign emissions" and "federal air quality monitor."

(b) Requires the Texas Commission on Environmental Quality (TCEQ) to estimate the contribution of foreign emissions at each federal air quality monitor located in each nonattainment area in this state with respect to each air contaminant for which the area is designated as being in nonattainment for any national ambient air quality standards for ozone or particulate matter. Authorizes TCEQ to contract with a third party to conduct the estimate required by this subsection.

(c) Requires the executive director of TCEQ (executive director), not later than September 1, 2027, using the estimate conducted under Subsection (b), to report to TCEQ a recommendation on whether to revise the state implementation plan to account for the contribution of foreign emissions in each nonattainment area in this state in any manner permissible under federal law. Requires the executive director, in preparing the report to TCEQ, to consider any areas in this state designated as nonattainment for ozone or particulate matter as of September 1, 2026.

(d) Provides that this section expires September 1, 2029.

SECTION 2. Effective date: upon passage or September 1, 2023.