

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

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**May 21, 2003**

**TO:** Honorable Kenneth Armbrister, Chair, Senate Committee on Natural Resources

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE: HB547** by Wohlgemuth (Relating to the distance between certain pits that are part of quarrying operations in certain counties and adjacent property. ), **Committee Report 2nd House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB547, Committee Report 2nd House, Substituted: an impact of \$0 through the biennium ending August 31, 2005.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**General Revenue-Related Funds, Five-Year Impact:**

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	\$0
2005	\$0
2006	\$0
2007	\$0
2008	\$0

**All Funds, Five-Year Impact:**

Fiscal Year	Probable Savings/(Cost) from <i>STATE HIGHWAY FUND</i> 6
2004	(\$51,000,000)
2005	(\$51,000,000)
2006	(\$51,000,000)
2007	(\$51,000,000)
2008	(\$51,000,000)

**Fiscal Analysis**

The bill would amend the Natural Resources Code to expand the counties required to apply a 50-foot setback from private property lines for quarries and pits. The bill would also provide specific exceptions to the 50 foot requirement and would prohibit a person from operating a quarry or pit associated with a rock-crushing facility under guidelines and requirements established in the bill.

The bill would take effect September 1, 2003.

## **Methodology**

TxDOT assumes increased construction costs of \$51 million to the State Highway Fund each year related to an increase in travel distance between the project and the rock crushing equipment which would have to be located outside of the areas specified in the bill. TxDOT estimates an increase of approximately \$5.00 per cubic yard of concrete mix, ton of hot mix, and ton of flex base would be realized with the implementation of the bill and that higher prices would be realized in contractor bids and payments for projects that make use of rock crushing facilities. TxDOT also assumes that affected crushing facilities would never be able to obtain a permit and that the provisions of the bill would impact the volume of aggregate produced for TxDOT.

## **Local Government Impact**

TxDOT assumes similar fiscal implications for units of local government in the areas affected by the bill.

**Source Agencies:** 582 Commission on Environmental Quality, 601 Department of Transportation

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