

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 8, 2003

TO: Honorable Dennis Bonnen, Chair, House Committee on Environmental Regulation

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB2490 by Callegari (Relating to the location of certain concrete and asphalt plants.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2490, As Introduced: 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 (Cost) from STATE HIGHWAY FUND 6
2004	(\$3,744,982)
2005	(\$3,744,982)
2006	(\$3,744,982)
2007	(\$3,744,982)
2008	(\$3,744,982)

Fiscal Analysis

The bill would prohibit the Commission on Environmental Quality from accepting an application or issuing certain authorizations for a concrete or hot mix asphalt plant if the proposed plant will be located within one mile of a school, church, residence or other habitable structure that is occupied by a person other than the proposed plant operator/permit applicant. The bill would exempt plants that were issued a permit by the Commission prior to September 1, 2003.

Methodology

Prohibiting the location of concrete or hot mix asphalt plants within one mile of schools, churches and residences could have an impact on state agencies purchasing concrete, since it could increase hauling distances. The Texas Department of Transportation (TxDOT) projects its concrete costs would increase due to higher contract prices. However, this impact is minimized due to the exemption provided for plants that were issued a permit before September 1, 2003.

This estimate assumes that new and temporary plants would account for 5 percent of TxDOT's concrete expenditures and that the cost increase for such plants would be \$5.00 per cubic yard. Based on fiscal year 2000 expenditures, the bill is estimated to increase costs to TxDOT by \$3.7 million per fiscal year.

Local Government Impact

Local governments could incur increased costs associated with concrete and hot mix upon passage of the bill similar to those experienced by TxDOT. The cost increase would depend on the amount of concrete and hot mix used by the local government and the portion of expenditures that would be affected by plants having to locate further from projects than under current law.

Source Agencies: 582 Commission on Environmental Quality, 601 Department of Transportation
LBB Staff: JK, JO, CL, RT, MW, TL