

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

May 31, 2003

**TO:** Honorable David Dewhurst , Lieutenant Governor, Senate  
Honorable Tom Craddick, Speaker of the House, House of Representatives

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

**IN RE: SB585** by Duncan (Relating to recycling and other services. ), **Conference Committee Report**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB585, Conference Committee Report: 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 <i>Hazardous/Waste Fee Account</i> 549
2004	(\$1,212,500)
2005	(\$1,212,500)
2006	\$0
2007	\$0
2008	\$0

Fiscal Analysis

The bill would amend provisions in the Health and Safety Code by authorizing an additional use of solid waste disposal and transportation fee revenue dedicated for use by the Texas Commission on Environmental Quality (TCEQ) to support the municipal solid waste permitting and enforcement program. The bill would allow funds appropriated to the agency to be used for the remediation, cleanup, and proper closure of unauthorized recycling sites for which a responsible party is not immediately financially able to perform the remediation, cleanup, and closure, thereby broadening the use of dedicated funds.

## Methodology

The TCEQ has recently adopted rules which permit or authorize recycling sites. According to TCEQ, there are currently five large unauthorized recycling sites in the state. Although the TCEQ is not aware how many of these sites could lack responsible parties if and when enforcement action is necessary and cleanup is required.

This estimate assumes that the TCEQ would need to clean up one of the five unauthorized recycling sites during the 2004-05 biennium. According to the agency, costs to cleanup one of these sites would depend on the whether the site required removing the waste or keeping it in place and could range from as low as \$175,000 to keep the waste in place to an estimated \$4.5 million per site to remove and dispose of the waste, depending on the amount and type of remediation required. This fiscal note assumes the cleanup would require a combination of both types of cleanups, with the cost falling somewhere in the middle of that range at an estimated biennial total of \$2,450,000.

This estimate assumes that costs for the cleanup of recycling sites would be paid out of available funds in Waste Management Account No. 549, since this is the account into which the portion of solid waste fees used for TCEQ's municipal solid waste permitting and enforcement programs. If no additional appropriation is provided for recycling cleanups, the TCEQ would only be expected to cleanup a recycling site if the agency would consider such a cleanup to be a greater priority over another site for which cleanup authority exists.

This estimate assumes that all costs involved in the cleanup would be for contractor services. Therefore, there would be no effect on agency FTE levels.

## Local Government Impact

A municipality choosing to provide landscaping services according to the bill's provisions could incur costs associated with providing such services. The cost would depend on the number of sites for which the municipality would choose to provide such services.

Additional provisions of the bill are not expected to have a significant fiscal impact on local governments.

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

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