

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

**FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION**

**April 4, 2005**

**TO:** Honorable Helen Giddings, Chair, House Committee on Business & Industry

**FROM:** John S. O'Brien, Deputy Director, Legislative Budget Board

**IN RE: HB2376** by Elkins (Relating to the environmental regulation and remediation of dry cleaning facilities.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2376, As Introduced: an impact of \$0 through the biennium ending August 31, 2007.

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:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2006	\$0
2007	\$0
2008	\$0
2009	\$0
2010	\$0

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

<b>Fiscal Year</b>	<b>Probable Revenue Gain/(Loss) from Dry Cleaning Facility Release Acct 5093</b>
2006	(\$716,000)
2007	(\$962,000)
2008	(\$971,000)
2009	(\$981,000)
2010	(\$990,000)

**Fiscal Analysis**

The bill would limit the application of rules established by the Texas Commission on Environmental Quality (TCEQ) regarding performance standards of dry cleaning facilities to only those facilities that use chlorinated dry cleaning solvents. Standards would no longer apply to petroleum-based dry cleaning facilities. The bill also would reduce the annual registration fee for drop stations with owners who own dry cleaning facilities but have never functioned as dry cleaning facilities from \$1,000 per year to \$750 per year. The bill would also provide for drop stations to opt out of participation in the dry cleaning remediation program and thus benefits from the Dry Cleaning Facility Release Account No. 5093 by extending the application deadline for non-participation until December 1, 2005. The bill would include drop stations in the category of small dry cleaners and nonparticipating dry cleaners that pay an annual fee of only \$250. The bill also would allow a distributor of dry cleaning solvents to withhold 2 percent of dry cleaning solvent fees for administrative expenses.

## **Methodology**

Costs to implement changes proposed by the bill are not expected to be significant to the TCEQ.

The revenue loss shown above is the amount estimated by the Comptroller of Public Accounts, and it represents a loss of revenue associated with the expansion of the \$250 annual registration fee for dry cleaners opting out of participation in the program and the reduction of the \$1,000 annual registration fee to \$750 for drop stations that have never been dry cleaning facilities.

The bill's provisions allowing distributors to retain 2 percent of fee collections and the bill's provisions exempting non-chlorinating solvents from the solvent fee are not expected to result in significant losses in revenue to the Dry Cleaning Facility Release Account No. 5093.

## **Local Government Impact**

No fiscal implication to units of local government is anticipated.

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

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