

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

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

**March 21, 2005**

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

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

**IN RE: HB2510** by Bonnen (Relating to the regulation of on-site sewage disposal systems and the maintenance of those systems; imposing administrative and criminal penalties.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2510, 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:**

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

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

Fiscal Year	Probable Revenue Gain from <i>OCCUPATIONAL LICENSING</i> 468	Probable (Cost) from <i>OCCUPATIONAL LICENSING</i> 468	Change in Number of State Employees from FY 2005
2006	\$212,569	(\$212,569)	3.0
2007	\$173,069	(\$173,069)	3.0
2008	\$173,069	(\$173,069)	3.0
2009	\$173,069	(\$173,069)	3.0
2010	\$173,069	(\$173,069)	3.0

**Fiscal Analysis**

The bill would create an advisory council to assist the Texas Commission on Environmental Quality (TCEQ) on matters relating to the regulation, design, planning, construction, installation, operation, licensing, maintenance, and inspection of on-site sewage disposal systems. The bill would provide for the TCEQ to adjust fees as necessary to cover administrative costs of the council, including reasonable expenses of its members.

The bill also would grant the TCEQ additional oversight of entities involved in the maintenance of on-site sewage disposal systems and provide penalties for improper maintenance of such systems. In

addition, it would require that those involved in maintaining and servicing on-site sewage disposal systems be licensed or registered by the TCEQ.

### **Methodology**

This estimate assumes that 3 additional FTEs and related costs to the TCEQ will result from the bill's passage to provide administrative support to the advisory council created by the bill, implement the additional registration and licensing procedures required by the bill, and handle the increase in enforcement cases and contested case hearings expected as a result of the bill's passage. Additional costs are included in each year for travel expenses of advisory committee members, and one-time costs are included in fiscal year 2006 for computers, furniture, and modifications to the agency's Consolidated Compliance and Enforcement Database System (CCEDS) and the agency's Central Registry database.

Because the bill provides that the agency could recover any additional costs created by new requirements of the bill, this estimate assumes that the net impact of the bill would be revenue neutral. All costs and revenues in this estimate are shown in the Occupational Licensing Account No. 468 because the license fees the agency would be authorized to increase currently are deposited to the credit of that account.

### **Technology**

Included in the cost estimates shown above are one-time costs in fiscal year 2006 of \$20,000 for upgrades to the CCEDS and Central Registry database systems, as well as \$4,500 for the purchase of computers for the 3 additional FTEs necessary to implement provisions of the bill.

### **Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 582 Commission on Environmental Quality

**LBB Staff:** JOB, WK, ZS, TL