

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 31, 2009

TO: Honorable Byron Cook, Chair, House Committee on Environmental Regulation

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

IN RE: HB1450 by Rodriguez (Relating to the disposal and reuse of coal combustion waste.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would require an industrial solid waste permit from the Texas Commission on Environmental Quality (TCEQ) for the collection, handling, storage, processing, and disposal of coal combustion waste from an electric generating plant that receives a pre-construction permit on or after September 1, 2009.

The bill defines the term “coal combustion waste”; requires the agency to assess the status and stability of each site in the state where coal combustion waste is disposed of or reused whether or not the site is regulated by the agency; requires the agency to issue a report of its findings every five years beginning September 1, 2014; classifies coal combustion waste produced from electric generating facilities receiving a pre-construction permit after September 1, 2009 as Class 1 industrial solid waste for purposes of waste disposal; and specifies that coal combustion waste from such electric generating facilities cannot be reused as mine backfill. The bill also would require groundwater and soil monitoring information at sites with coal combustion waste to be made public.

The TCEQ reports that there are existing and 7 proposed electric generating plants that may generate coal combustion waste and become subject to the bill’s provisions. The bill would require the TCEQ to adopt new rules, change procedures, request data to support toxicity analysis, and develop protocols for evaluating site stability. The agency would also be required to perform annual site integrity assessments. This estimate assumes that analytical data to support toxicity characterizations will be the responsibility of the regulated entity. Site integrity and stability assessments would be required at sites where coal combustion waste is disposed of or reused whether or not the site is currently regulated by the TCEQ. In addition, site integrity assessments would be required for both the existing and proposed plants in the state. Site specific information including: site geology, hydrology, and hydro geology; engineering data and specifications; and waste volumes and characterization would be required to assess the integrity of the site.

Assuming each site would require an in-depth assessment, the TCEQ expects that it would require an additional 3.0 FTEs and related costs to implement the provisions of the bill. If the assessment of the status and stability of each site could be satisfied primarily by visual inspection, then the agency expects that only 1.0 FTE would be needed. This estimate assumes that these additional FTEs could be absorbed using existing resources.

Although the bill could result in additional fee revenues to the Waste Management Account No. 549 from additional permitted facilities that might not have been required to obtain a permit under current law and from additional commercial disposal fee revenue if the amount of commercially disposed coal combustion waste would increase as a result of the bill's passage, any additional revenues resulting from the passage of the bill are not expected to be significant.

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