

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: HB2122 by Olivo (Relating to the review of solid waste facility permits.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would require the Texas Commission on Environmental Quality (TCEQ) to review a permit issued to a municipal solid waste (MSW) facility under one of the following conditions:

- 1) The executive director of the TCEQ finds that permit holder's compliance history for the preceding five years contains violations that constitute a recurring pattern of conduct demonstrating a consistent disregard for the regulatory process including the failure to make a timely and substantial attempt to correct the violations;
- 2) A state legislator representing the area in which the facility is located requests such review;
- 3) A state legislator representing an area located within one mile of the facility requests such review;
- 4) The review request is made by a resolution of the commissioners court of the county in which the facility is located; or
- 5) The review request is made by a resolution of the commissioners court of a county with territory located within one mile of the facility.

The bill proposes that the frequency of such review for a facility be no more than once within a five year period and none within the first five years of issuance of a permit. The bill would require that the TCEQ establish a new review procedure for municipal solid waste permits and would repeal existing permit review provisions that require a review of all permits issued. The new review procedure requirements would be more detailed than under current law, and the TCEQ reports that the agency would expect to conduct more permit reviews than it conducts under current law. In addition, the type of review and public participation required by the bill is more thorough than the agency's procedures for implementing existing provisions. The TCEQ reports that there are more than 200 MSW permits that would be subject to the bill. A compliance history review would be needed for each of these permits.

Because of the additional MSW permit review requirements added by the bill, the TCEQ expects that 2.0 additional FTEs and related costs of approximately \$140,000 per fiscal year would be needed as a result of the bill's passage. Because the agency already has 135.1 FTEs assigned to the agency's Waste Management and Permitting strategy, this estimate assumes that these additional costs could be absorbed using existing agency resources.

Local Government Impact

The bill would require a local governmental entity that holds a municipal solid waste permit to have a permit review every five years if a review is requested by certain elected officials, or if the executive director determines the entity has a compliance history with a pattern of violations or disregard for the regulatory process. According to TCEQ, there is no fee for a permit review; therefore, no significant

fiscal implications are anticipated.

Source Agencies: 582 Commission on Environmental Quality

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