

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 15, 2009

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

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

IN RE: HB2266 by Allen (Relating to the investigation of indoor air quality in certain school buildings.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2266, As Introduced: a negative impact of (\$1,958,371) through the biennium ending August 31, 2011.

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
2010	(\$942,824)
2011	(\$1,015,547)
2012	(\$1,013,508)
2013	(\$1,011,226)
2014	(\$1,016,931)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1	Change in Number of State Employees from FY 2009
2010	(\$942,824)	4.0
2011	(\$1,015,547)	4.0
2012	(\$1,013,508)	4.0
2013	(\$1,011,226)	4.0
2014	(\$1,016,931)	4.0

Fiscal Analysis

The bill would require the executive commissioner of the Health and Human Services (HHSC), in consultation with the Texas Environmental Health Institute (TEHI), to adopt rules with guidelines for indoor air quality in a school building. The bill would also require the Texas Commission on Environmental Quality (TCEQ), in collaboration with DSHS, to investigate the air quality in a public elementary or middle school on request or complaint of a school administrator or parent group. The HHSC would adopt guidelines for school building air quality.

The bill would require the TCEQ, in collaboration with the DSHS, to investigate the air quality of a school building on request, inquiry, or complaint of a school administrator or parent group. The bill would allow the TCEQ and DSHS to interview faculty, staff, and students to obtain evidence of exposure to particular air contaminants; measure indoor air pollution; and identify the presence of

specific air contaminants.

The bill would require the TCEQ and DSHS to submit a report on an investigation to the school and the TEHI within 60 days of the date of the request, inquiry, or complaint. The report would include measures of indoor air pollution, measures of specific air contaminants present, a determination of the cause of any detected air pollution, and a determination of whether the air quality met the standards set by the executive commissioner of the HHSC.

Methodology

This estimate assumes that the TCEQ/DSHS would receive about 200 inquires per fiscal year, requests, and complaints each year from schools throughout the state. Of these 200, approximately 50% may be resolved without the need for an on-site IAQ investigation, resulting in 100 required investigations per year. This assumption is based on prior experience DSHS has in handling these types of requests (state building inspections), with information and guidance to the school via telephone consultations being possible in approximately 50 percent of cases. The remaining 100 will require an on-site visit by an investigator. This estimate assumes that the TCEQ and DSHS would collaborate on the investigations.

For the purposes of this estimate, it is assumed that for each of the 100 investigations the TCEQ would contract for services at an average cost of \$4,000 per inspection for a total of \$400,000 per year. For the DSHS, this estimate assumes that 4.0 FTEs would be required. In addition to staff time, the DSHS would incur costs relating to air sampling, laboratory analyses, and new testing equipment. Costs in fiscal year 2010 would be slightly less than later years because of lag time in getting the program fully staffed and operational after the effective date of the bill. Costs to the DSHS would total \$542,824 in fiscal year 2010, \$615,547 in fiscal year 2011, \$613,508 in fiscal year 2012, \$611,226 in fiscal year 2013, and \$616,931 in fiscal year 2014.

This estimate assumes that all costs relating to implementing the bill would be paid out of the General Revenue Fund. It should be noted that the actual cost to implement the bill would depend on the actual number of complaints received and the process the TCEQ and DSHS would agree upon for investigating the complaints.

Local Government Impact

No significant fiscal implication to units of local government is anticipated. This estimate assumes that a school district with a complaint receiving an investigation would not incur any of the costs associated with that investigation. However, a school district with an indoor air quality problem could incur significant costs in rectifying the problem, depending on the cause and extent of the poor air quality. This estimate does not assume that costs involved in remediation of poor air quality would be a result of the bill's passage, as these costs would be necessary even absent the legislation.

Source Agencies: 529 Health and Human Services Commission, 537 State Health Services, Department of, 582 Commission on Environmental Quality, 701 Central Education Agency

LBB Staff: JOB, SD, ZS, TL