

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 7, 2009

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

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

IN RE: HB3975 by Hunter (Relating to a waste tire recycling program; imposing administrative and civil penalties.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3975, As Introduced: a negative impact of (\$3,994,584) 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	(\$2,168,792)
2011	(\$1,825,792)
2012	(\$1,825,792)
2013	(\$1,825,792)
2014	(\$1,825,792)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1
2010	(\$2,168,792)
2011	(\$1,825,792)
2012	(\$1,825,792)
2013	(\$1,825,792)
2014	(\$1,825,792)

Fiscal Year	Change in Number of State Employees from FY 2009
2010	30.0
2011	30.0
2012	30.0
2013	30.0
2014	30.0

Fiscal Analysis

The bill would require the Texas Commission on Environmental Quality (TCEQ) by rule to adopt and

implement a waste tire recycling program to be operated and enforced in the same way that this state's former waste tire recycling program was operated and enforced as provided by former Subchapter P, Chapter 361, as that subchapter was originally enacted. The bill would provide that the TCEQ has all authority necessary to adopt, implement, operate, and enforce the waste tire recycling program.

Methodology

This estimate assumes that the TCEQ would adopt rules to put in place a waste tire recycling program modeled on the program that the agency administered from 1992 to 1998. Based on that program, it is estimated that 30.0 FTEs would be needed for the operation and enforcement of the program, including the administration of a grant program, as was included in the original program. In addition to FTE related costs, this estimate assumes that \$383,060 in grants would be provided, and in 2010, approximately \$350,000 in start-up costs for computers, furniture, equipment, and vehicles would be needed. Because the bill does not provide a funding source for the program, this estimate assumes that costs would be paid from the General Revenue Fund.

Although the original program provided for a fees ranging from \$2 to \$3.50 per tire to be assessed and collected by the TCEQ to operate the program in the 1990s, this estimate does not assume that the agency would have authority to levy fees because the bill does not provide specific for the authority for the TCEQ to assess fees to cover costs.

Local Government Impact

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

Source Agencies: 582 Commission on Environmental Quality

LBB Staff: JOB, ZS, TL, SD