

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 25, 2009

TO: Honorable Troy Fraser, Chair, Senate Committee on Business & Commerce

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

IN RE: SB338 by Van de Putte (relating to requirements for businesses that offer plastic checkout bags to customers; providing civil and administrative penalties.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would require that businesses with with annual sales of at least \$3 million that sell groceries or have a retail sales space of over 10,000 square feet that includes a licensed pharmacy and offer plastic checkout bags to customers establish a checkout bag recycling program. The recycling program would include requirements for offering a reusable bag for sale, the printing of recycling information on the bags, placement of collection bins, and maintenance of records documenting recycling efforts. The bill also would include provisions for penalties for violations. The Texas Commission on Environmental Quality (TCEQ) would be charged with enforcing the provisions of the bill.

The TCEQ reports that the bill could have a significant impact to the field investigation, enforcement, legal, and Small Business and Environmental Assistance programs within the agency. However, because the bill does not mandate scheduled investigations or enforcement, this estimate assumes that the bulk of TCEQ's compliance efforts will primarily be geared towards providing assistance. This estimate also assumes that the TCEQ would receive a minimal number of complaints or reports of violation. Therefore, no significant fiscal impact to the TCEQ is expected.

Local Government Impact

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

Source Agencies: 582 Commission on Environmental Quality, 302 Office of the Attorney General

LBB Staff: JOB, JRO, TL