

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 3, 2009

TO: Honorable Kip Averitt, Chair, Senate Committee on Natural Resources

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

IN RE: SB876 by Averitt (Relating to the performance of annual soil tests for certain concentrated animal feeding operations by the Texas Commission on Environmental Quality.),
Committee Report 1st House, Substituted

Estimated Two-year Net Impact to General Revenue Related Funds for SB876, Committee Report 1st House, Substituted: an impact of \$0 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	\$0
2011	\$0
2012	\$0
2013	\$0
2014	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>Water Resource Management</i> 153
2010	(\$197,291)
2011	(\$120,791)
2012	(\$120,791)
2013	(\$120,791)
2014	(\$120,791)

Fiscal Year	Change in Number of State Employees from FY 2009
2010	1.0
2011	1.0
2012	1.0
2013	1.0
2014	1.0

Fiscal Analysis

The bill would require the Texas Commission on Environmental Quality (TCEQ) to perform annual soil sampling at concentrated animal feeding operations (CAFOs) in a major sole source impairment zone (parts of the North Bosque Watershed). The bill would allow the TCEQ to have the sampling performed under contract. The bill would take effect on September 1, 2009.

Methodology

The bill would require the TCEQ to conduct annual soil sampling that is currently performed by CAFO operators. The bill would require agency operations and procedures to change to address the workload of collecting an estimated 1,000 soil samples. It is estimated that 1.0 additional FTE would be required at the TCEQ's regional office in Stephenville to conduct the soil sampling. Additional sampling could be done using existing regional office staff or by using contractors. In addition, the TCEQ would be required to develop and manage the soil sample contract; perform data entry, management and maintenance of the soil analytical results to ensure availability of information to the dairymen and legislators in various report formats; evaluate sample results; and assist with the development of guidance documents related to the CAFO program. The agency would also need to acquire specialized vehicles equipped with sampling devices. This estimate assumes that costs to implement the bill would be paid out of the General Revenue-Dedicated Water Resource Management Account No. 153.

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