

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

March 23, 2011

TO: Honorable Wayne Smith, Chair, House Committee on Environmental Regulation

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

IN RE: HB1775 by Allen (Relating to a study on waste reduction and a statewide waste reduction plan.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1775, As Introduced: an impact of \$0 through the biennium ending August 31, 2013.

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
2012	\$0
2013	\$0
2014	\$0
2015	\$0
2016	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from Waste Management Acct 549
2012	(\$351,776)
2013	(\$56,776)
2014	\$0
2015	
2016	

Fiscal Analysis

The bill would require the Texas Commission on Environmental Quality (TCEQ) to appoint a waste reduction stakeholders committee to study and report on waste reduction in Texas. Members of the committee would consist of representatives from businesses, industry, the public and private sectors, academia, nonprofits, and the general public. The study would have to: assess current waste reduction efforts and identify ways to improve and increase those efforts; assess the effectiveness of waste reduction statutes, regulations, and programs; assess the extent to which the state's waste reduction programs are duplicative; investigate available funding for waste reduction programs; review waste reduction education programs; review current standards for training and certification of waste reduction professionals and reporting amounts of waste recycled; review waste reduction best practices; and assess job creation opportunities associated with waste reduction.

The bill would require a written report on the results of the committee's study to be submitted to the agency. The bill would also require the TCEQ to hold at least one public hearing to receive public comments on the results of the study and on the creation of a statewide waste reduction plan.

The committee would also be required to prepare a statewide waste reduction plan based on the study and comments from the public hearings(s), which would have to include goals for reducing waste by a certain percentage and date, a waste reduction education plan, and recommendations and suggestions on the following: best practices, training and certification, reporting of recycling, market-development incentives, funding, economically beneficial state actions.

Methodology

The TCEQ reports that the committee required to be created by the legislation would be similar to two committees that agency already has in place: the Municipal Solid Waste Resource Recovery Advisory Council and the Pollution Prevention Advisory Committee. Based on the needs of these committees, the agency is expected to need additional funding to coordinate the efforts of the committee, including facilitating committee meetings and the TCEQ public hearings; conduct research or other follow-up work requested by the committee; coordinate with any external contractor; and facilitate the production and distribution of the required reports. It is assumed that the agency would contract for such services at an estimated cost of \$56,776 in each fiscal year 2012 and fiscal year 2013.

To complete the study, the agency would need to contract with an external group that could effectively research the items required by the bill and provide needed outside expertise. Contracting costs for completion of the study are estimated at \$225,000 in fiscal year 2012 only. Administrative costs incurred in the production of the reports and in completing other tasks required by the committee, as well as anticipated travel costs, are estimated at \$50,000 in fiscal year 2012 only.

This estimate assumes that costs associated with implementing the bill would be paid out of the General Revenue-Dedicated Waste Management Account No. 549.

Local Government Impact

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

Source Agencies: 582 Commission on Environmental Quality

LBB Staff: JOB, SZ, ZS, TL