

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 6, 2011

TO: Honorable Troy Fraser, Chair, Senate Committee on Natural Resources

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

IN RE: SB1258 by Duncan (Relating to the disposal of demolition waste from abandoned or nuisance buildings in certain areas.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would allow the Texas Commission on Environmental Quality (TCEQ) issue a permit by rule (PBR) to enable counties or municipalities with a population of 10,000 or less to dispose of demolition waste from buildings that are abandoned or found to be a nuisance. Disposal could only occur on land that was acquired by a county by means of bankruptcy, tax delinquency, or condemnation. It would also require that the building must have been owned by a person who was not financially capable of paying the costs of disposal of the demolition waste at a permitted disposal facility. The municipality or county and the land would have to qualify for an arid exemption under the TCEQ's rules.

The TCEQ reports that the application fee for a PBR is currently \$150. The agency expects that five or fewer counties or municipalities would apply for the PBR under the bill's provisions. Therefore, no significant fiscal impact is expected as a result of the bill's passage.

Local Government Impact

The bill would provide counties and municipalities with 10,000 or fewer inhabitants a less expensive disposal method for demolition wastes from abandoned or nuisance buildings. However, these entities would still incur construction and operating costs for the disposal site. Any savings to counties and municipalities would depend on the cost of owning and operating their own disposal site for the disposal of wastes addressed in the bill and the cost such entities would otherwise incur if they had to dispose of such waste in another permitted site.

Source Agencies: 582 Commission on Environmental Quality

LBB Staff: JOB, SZ, TL