

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 15, 2013

TO: Honorable Patricia Harless, Chair, House Committee on Environmental Regulation

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3783 by Isaac (Relating to the storage, transportation, and disposal of tires; providing criminal penalties.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would repeal existing provisions in Health and Safety Code, Section 361.112, and Water Code, Section 7.304, and add a new Subchapter P in Health and Safety Code, Chapter 361. Many of the provisions that would be repealed would be included in the new proposed Subchapter P. In addition, the bill would amend Water Code, Chapter 7, Subchapter E, to establish criminal provisions for intentional, knowing, or reckless violations of the statute or rules as a Class A misdemeanor.

The bill would establish a technical definition for scrap tire, restrict the transportation of scrap tires with used tires, require generators to drill holes in sidewalls of scrap tires, require political subdivisions to report illegal dumping; and provide authority for a criminal penalty. Specifically, the bill would add definitions for "generator", "reusable tire", and "transporter" that are similar to definitions in existing rules. The definition of "scrap tire" would be amended to provide technical criteria to distinguish a scrap tire from a reusable "used tire." The bill would add a statutory requirement for persons to register with the Texas Commission on Environmental Quality (TCEQ) if they transport used or scrap tires, which is currently required by TCEQ rules. The bill would prohibit "used tires" and "scrap tires" from being transported together, unless the tires are collected from a generator and transported directly to a tire processor as defined by commission rules. The bill would require the TCEQ to authorize, by rule, the transport of used or scrap tires for beneficial uses. The bill would direct the TCEQ to authorize transportation of used or scrap tires for beneficial use such as energy recovery, tire-derived fuel, septic drain fields, rubber mulch, crumb rubber, or reclamation projects. The bill would require political subdivisions to submit a report notifying the TCEQ when it is discovered that tires are being disposed in unauthorized locations.

If passed, the the bill would take effect on September 1, 2013, and the TCEQ would be required to adopt all related rules by May 4, 2014.

Passage of the bill is not expected to have a significant impact on the TCEQ. Any costs relating to rulemaking and operational changes would be expected to be absorbed using existing TCEQ resources.

Local Government Impact

Local governments would be required to report illegal disposal of tires in their area and determine if the site is permitted. Any cost increases to perform these tasks will vary among local governments but is not anticipated to be significant.

Source Agencies: 582 Commission on Environmental Quality

LBB Staff: UP, SZ, TL, KKR