

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 7, 2015

TO: Honorable Tracy O. King, Chair, House Committee on Agriculture & Livestock

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB2548** by Stephenson (relating to the disposal of pesticides.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2548, Committee Report 1st House, Substituted: an impact of \$0 through the biennium ending August 31, 2017.

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
2016	\$0
2017	\$0
2018	\$0
2019	\$0
2020	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain from General Revenue Fund 1	Probable (Cost) from General Revenue Fund 1	Probable Revenue Gain from New Other - Pesticide Education and Disposal Fund	Probable (Cost) from New Other - Pesticide Education and Disposal Fund
2016	\$400,000	(\$400,000)	\$400,000	(\$400,000)
2017	\$400,000	(\$400,000)	\$400,000	(\$400,000)
2018	\$400,000	(\$400,000)	\$400,000	(\$400,000)
2019	\$400,000	(\$400,000)	\$400,000	(\$400,000)
2020	\$400,000	(\$400,000)	\$400,000	(\$400,000)

Fiscal Analysis

The bill would amend the Agriculture Code, regarding pesticide and herbicide regulation. The bill would create the Pesticide Education and Disposal Fund in the state treasury outside of the General Revenue Fund. The fund would consist of revenue from annual transfers of pesticide registration fees collected under Section 76.044 in amounts, not to exceed \$400,000, as determined by the Texas Department of Agriculture (TDA) to be necessary to administer pesticide waste and container collection activities. Interest earnings from money in the fund would be deposited to the credit of the fund. The fund would be administered by TDA and could be appropriated only for pesticide waste and container collection activities. TDA would coordinate pesticide disposal efforts with the Texas A&M AgriLife Extension Service, including contracting for disposal services.

This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

The bill would take effect September 1, 2015.

Methodology

Revenue Gains, Losses and Offsetting Gains: TDA indicates that should the agency transfer up to \$400,000 of the pesticide product registration fees from General Revenue to the new fund for an education and disposal program, the transfer may result in the agency raising fees to cover funding a portion of its current duties for pesticide regulation. Accordingly, in this analysis it is assumed the cost of transferring General Revenue would be offset by an increase in registration fees.

Costs for the pesticide education and disposal program are assumed to be equal to the amount transferred each fiscal year. Amounts in this analysis assume the statutory maximum would be transferred. Out of this amount, both TDA and the AgriLife Extension Service are expected to have minimal administrative costs to implement bill provisions.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts, 551 Department of Agriculture, 555 Texas A&M AgriLife Extension Service

LBB Staff: UP, TB, SZ, MW