

BILL ANALYSIS

Senate Research Center

S.B. 1105
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Natural Resources & Economic Development
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

One of the most important accounts at the Texas Commission on Environmental Quality (TCEQ) is the water resources management account, which provides the vast majority of the agency's water programs. In recent years, the account balance has been rapidly depleting due to expenditures exceeding revenues. This trend is expected to continue absent a fee increase or an appropriations reduction for TCEQ water programs.

Meanwhile, the used oil recycling account is a fund that collects approximately \$2 million a year, and only expends approximately \$500,000 of that amount. This expenditure is typically used for providing education and technical guidance to the general public on recycling used oil, so that it does not impact the environment and water sources. Currently, the account has an approximately \$18 million fund balance.

Transferring the existing used oil recycling account balance and future collections of the fee to the water resources management account would provide support to the water account balance and stabilize funding for TCEQ's water programs.

- S.B. 1105 abolishes the used oil recycling account and transfers the balance to the water resources management account to protect water resources of the state.
- S.B. 1105 retains the fee to support water programs. (Original Author's / Sponsor's Statement of Intent)

S.B. 1105 amends current law relating to the abolishment of the used oil recycling account, deposits of used oil recycling fees, and use of the water resource management account.

[**Note:** While the statutory reference in this bill is to the Texas Natural Resource Conservation Commission (TNRCC), the following amendments affect the Texas Commission on Environmental Quality, as the successor agency to TNRCC.]

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 371.0245(e), Health and Safety Code, to require that reimbursements made under this section be paid out of the water resource management account, rather than used oil recycling account, and are prohibited from exceeding an aggregate amount of \$500,000 each fiscal year.

SECTION 2. Amends Section 371.0246(d), Health and Safety Code, as follows:

- (d) Provides that all claims for reimbursement filed under this section and Section 371.0245 (Reimbursement of Used Oil Collection Center's Hazardous Waste Expense) are subject to funds available for disbursement in the water resource management account, rather than used oil recycling account, and to Section 371.0245(e). Provides that

this subchapter (Used Oil Recycling Program) does not create an entitlement to money in the water resource management account, rather than used oil recycling account, or any other fund.

SECTION 3. Amends the heading to Subchapter D, Chapter 371, Health and Safety Code, to read as follows:

SUBCHAPTER D. USED OIL RECYCLING FEES

SECTION 4. Amends Section 371.061, Health and Safety Code, as follows:

Sec. 371.061. New heading: DEPOSIT OF FEES; USE OF FEE REVENUE. (a) Requires that certain amounts be deposited to the water resource management account, rather than providing that the used oil recycling account is in the state treasury. Deletes existing Subsection (a) and existing Subsection (b) designation.

(b) Redesignates existing Subsection (c) as Subsection (b). Authorizes the Texas Natural Resource Conservation Commission (TNRCC), in addition to other authorized uses of money in the water resource management account, to use money in that account for purposes authorized by this chapter (Used Oil Collection, Management, and Recycling), rather than use money in the account only for purposes authorized by this chapter, including certain purposes. Makes nonsubstantive changes. Deletes existing text exempting the account from the application of Section 403.095 (Use of Dedicated Revenue), Government Code, and authorizing TNRCC to transfer any amount authorized under Subsection (c)(4) or by legislative appropriation to the waste management account. Deletes existing Subsection (d) and (e).

SECTION 5. Amends Section 371.062(l), Health and Safety Code, to require the balance of fees and all penalties and interest collected under this section to be deposited to the credit of the water resource management account, rather than used oil recycling account.

SECTION 6. Amends Section 5.701(q), Water Code, to authorize fees collected for deposit to the water resource management account under certain statutes, notwithstanding any other law, to be appropriated and used to protect water resources in this state, including assessment of water quality, reasonably related to the activities of any of the persons required to pay a fee.

SECTION 7. Provides that on September 1, 2017, money remaining in the used oil recycling account is transferred to the water resource management account, and the used oil recycling account is abolished.

SECTION 8. Effective date: September 1, 2017.