

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**May 17, 2017**

**TO:** Honorable Craig Estes, Chair, Senate Committee on Natural Resources & Economic Development

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** **HB2662** by Landgraf (Relating to the Texas Low-Level Radioactive Waste Disposal Compact waste disposal facility; reducing a surcharge; eliminating a fee.), **Committee Report 2nd House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2662, Committee Report 2nd House, Substituted: an impact of \$0 through the biennium ending August 31, 2019. In addition, the bill would have a positive, but indeterminate, fiscal impact due to the lack of information regarding future gross receipts from compact and federal waste.

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:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2018	\$0
2019	\$0
2020	\$0
2021	\$0
2022	\$0

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Revenue (Loss) from Environmental Rad &amp; Perpetual Care 5158</b>
2018	(\$750,000)
2019	(\$750,000)
2020	\$0
2021	\$0
2022	\$0

## **Fiscal Analysis**

The bill would amend Texas Health and Safety Code, Chapter 401 to reduce the surcharge for nonparty compact waste disposal from 20 percent of the total contracted rate to 10 percent for the 2018-19 biennium; the rate would be increased back to 20 percent at the beginning of fiscal year 2020. A study conducted by the Texas Commission on Environmental Quality (TCEQ) would be required at least once every four years on the available volume and curie capacity of the compact waste disposal facility; current law required the same one-time study to be completed before December 1, 2016. The bill would require TCEQ to submit the first report required by the bill not later than December 1, 2020. The bill would require that 5 percent of the gross receipts from compact waste and from any future federal facility waste be deposited to the credit of the General Revenue Fund each quarter, beginning in fiscal year 2020.

The bill would amend Texas Health and Safety Code, Chapter 403 by creating a legislative oversight committee that would be required to consider and make recommendations regarding the operations and costs of the facility and the need for, and effects of, surcharges and fees. The legislative oversight committee would be allowed to request reports and other information from the Low Level Radioactive Waste Disposal Compact Commission (Compact Commission) and TCEQ. The committee would also be required to submit a final report not later than December 1, 2018, and would be abolished December 31, 2018.

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 immediately upon receiving a two-thirds majority vote in both houses; otherwise, the bill would take effect September 1, 2017.

## **Methodology**

According to the Comptroller of Public Accounts (CPA), the amount of additional revenue that would be collected and deposited to the General Revenue Fund from the 5 percent state fee that this bill implements cannot be determined due to information not being sufficient enough to determine the gross receipts from compact and federal waste received at the facility from the holder of a license for a compact waste disposal facility.

According to the CPA, lowering the surcharge for disposal of non-party compact waste from 20 percent to 10 percent of the contracted rate would decrease revenue deposited to the General Revenue-Dedicated Environmental Radiation and Perpetual Care Account No. 5158 by \$750,000 each fiscal year of the 2018-19 biennium.

Based on information provided by TCEQ and the Compact Commission, it is assumed that implementing the provisions of the bill could be accomplished using existing resources.

## **Local Government Impact**

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

**Source Agencies:** 304 Comptroller of Public Accounts, 582 Commission on Environmental Quality

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