

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 24, 2017

TO: Honorable Joseph Pickett, Chair, House Committee on Environmental Regulation

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB3744** by Walle (Relating to the regulation of the retention, storage, transportation, and disposal of used or scrap tires; providing a civil penalty; creating a criminal offense.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend Texas Health and Safety Code, Chapter 361 to require used or scrap tire generators who store used or scrap tires outdoors to store the tires in a secure manner. The bill would require the Texas Commission on Environmental Quality (TCEQ) to establish requirements for financial assurance for transporters and certain processors of used or scrap tires removed from vehicles during the purchase of tires, and would regulate the retention, storage, transportation and disposal of used or scrap tires. The bill would specify penalties for violations and allow counties to register scrap tire transporters. The bill would require TCEQ to adopt rules necessary to implement the changes required by the bill no later than March 1, 2018, and would not require a regulated person to register, per the requirements of the bill, until September 1, 2018.

TCEQ estimates there would be a minimal cost associated with implementing the provisions of the bill.

Local Government Impact

The bill would allow counties to register used or scrap tire transporters. According to TCEQ, the financial assurance requirements of the bill may potentially impact the number of registered transporters and could result in increased prices for tire transportation. Local governments could also generate revenue as a result of the civil penalties specified in the bill.

According to the Texas Association of Counties, Cameron County reported the fiscal impact would not be significant.

Source Agencies: 304 Comptroller of Public Accounts, 582 Commission on Environmental Quality, 302 Office of the Attorney General, 405 Department of Public Safety

LBB Staff: UP, MSO, PM, SZ, MW, JGA