

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

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**March 17, 2019**

**TO:** Honorable Drew Springer, Chair, House Committee on Agriculture & Livestock

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
 Legislative Budget Board

**IN RE: HB191** by Stephenson (Relating to the disposal of pesticides.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB191, As Introduced: an impact of \$0 through the biennium ending August 31, 2021.

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
2020	\$0
2021	\$0
2022	\$0
2023	\$0
2024	\$0

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

Fiscal Year	Probable Revenue Gain/(Loss) from <i>General Revenue Fund</i> 1	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Revenue Gain/(Loss) from <i>New Other - Pesticide Disposal Fund</i>	Probable Savings/(Cost) from <i>New Other - Pesticide Disposal Fund</i>
2020	\$475,564	(\$475,564)	\$400,000	(\$400,000)
2021	\$464,558	(\$464,558)	\$400,000	(\$400,000)
2022	\$464,558	(\$464,558)	\$400,000	(\$400,000)
2023	\$464,558	(\$464,558)	\$400,000	(\$400,000)
2024	\$464,558	(\$464,558)	\$400,000	(\$400,000)

<b>Fiscal Year</b>	<b>Change in Number of State Employees from FY 2019</b>
2020	1.0
2021	1.0
2022	1.0
2023	1.0
2024	1.0

## **Fiscal Analysis**

The bill would amend the Agriculture Code to create the new Pesticide Disposal Fund in the state treasury outside of the General Revenue Fund. It would consist of revenue from annual transfers of pesticide registration fees of up to \$400,000 in amounts determined by the Department of Agriculture (TDA) to be necessary to administer pesticide waste and container collection activities. Interest earned from money in the fund would be deposited to the credit of the fund. The fund would be administered by TDA for the sole purpose of working with Texas A&M AgriLife Extension Service (TAES) and the Texas Commission on Environmental Quality (TCEQ) to organize pesticide waste and pesticide container collection activities statewide. TDA, TAES, and TCEQ would be authorized to arrange for contractors to collect cancelled, unregistered, or unwanted pesticide products and containers.

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, 2019.

## **Methodology**

Currently, fees collected pursuant to Agriculture Code, Section 76.044 are required to be set by TDA to recover costs of the Agricultural Pesticide Regulation program, and are deposited to General Revenue. This analysis assumes that the revenue transferred to the new Pesticide Disposal Fund as directed by the bill will result in TDA raising pesticide product registration fees to offset this reduction. This analysis assumes that costs for the pesticide 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.

In order to administer pesticide waste and container collection activities required by the bill, this analysis assumes TDA would need 1.0 Program Specialist I (salary \$47,688 per year). Costs associated with that 1.0 FTE total \$75,564 in fiscal year 2020, and \$64,558 each subsequent year from fee generated General Revenue. The analysis assumes TAES and TCEQ could perform necessary duties using existing resources.

## **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, 582 Commission on

Environmental Quality

**LBB Staff:** WP, SZ, MW, PBO, CBR