

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 23, 2019

TO: Honorable J. M. Lozano, Chair, House Committee on Environmental Regulation

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

IN RE: HB1391 by Bohac (Relating to inspections of solid waste facilities conducted by the Texas Commission on Environmental Quality.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1391, As Introduced: an impact of \$0 through the biennium ending August 31, 2021. However, an impact of (\$2,475,654) through the biennium would be realized in General Revenue-Dedicated Waste Management Account No. 549.

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 Savings/(Cost) from Waste Management Acct 549	Change in Number of State Employees from FY 2019
2020	(\$1,235,653)	22.0
2021	(\$1,240,001)	22.0
2022	(\$1,244,401)	22.0
2023	(\$1,248,911)	22.0
2024	(\$1,253,531)	22.0

Fiscal Analysis

The bill would amend the Health and Safety Code to require the Texas Commission on Environmental Quality (TCEQ) to inspect solid waste facilities used or proposed to be used to store, process or dispose of solid waste at least once every two years and includes additional inspection frequencies for those facilities that commit multiple violations or are subject to multiple complaints. The bill specifies that facilities that commit multiple violations of the same statute or rule in a five-year period are to receive an increased inspection frequency of at least quarterly for three years beginning on the date of the last violation and that facilities that receive three or more complaints in a 30-day period are to receive an increased inspection frequency of at least at least quarterly for 18 months beginning on the date of the last complaint.

The bill would take effect September 1, 2019

Methodology

Based on information provided by TCEQ, this estimate assumes the agency would be required to conduct investigations of an estimated 2,800 solid waste facilities every two years resulting in an increase of 970 investigations above TCEQ's current investigation workload. This estimate assumes that other types of solid waste facilities, such as unauthorized tire sites, are not included under the provisions of the bill.

TCEQ would need additional staff to meet the increased need for solid waste facility investigations. This would include 18 Natural Resource Specialist IIs (\$36,976 plus \$12,361 in benefits each), two Natural Resource Specialist IIs (\$42,244 plus \$14,122 in benefits each), and two Natural Resource Specialist IVs (\$48,278 plus \$16,139 in benefits each).

This analysis assumes an additional \$44,000 each year would be necessary for travel expenses and that \$190,853 in fiscal year 2020, \$195,202 in fiscal year 2021, \$199,602 in fiscal year 2022, \$204,112 in fiscal year 2023, and \$208,732 in fiscal year 2024 would be necessary for other operating and office related expenses.

This estimate assumes that duties and responsibilities associated with implementing the remaining provisions in the bill could be accomplished by utilizing existing resources.

Local Government Impact

According to TCEQ, local and other governmental entities would also be subject to the increased inspection frequency, which could result in formal enforcement and associated penalties.

Source Agencies: 582 Commission on Environmental Quality

LBB Staff: WP, SZ, MW, GDz