

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 8, 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: HB2269 by Landgraf (Relating to the operations of the Texas Low-Level Radioactive Waste Disposal Compact waste disposal facility.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2269, Committee Report 1st House, Substituted: a negative impact of (\$3,000,000) through the biennium ending August 31, 2021. In addition, a negative impact of (\$5,250,000) through the biennium ending August 31, 2021 to General Revenue-Dedicated Environmental Radiation and Perpetual Care Account No. 5158.

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	(\$1,500,000)
2021	(\$1,500,000)
2022	(\$1,500,000)
2023	(\$1,500,000)
2024	(\$1,500,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from General Revenue Fund 1	Probable Revenue Gain/(Loss) from Environmental Rad & Perpetual Care 5158
2020	(\$1,500,000)	(\$2,625,000)
2021	(\$1,500,000)	(\$2,625,000)
2022	(\$1,500,000)	(\$2,625,000)
2023	(\$1,500,000)	(\$2,625,000)
2024	(\$1,500,000)	(\$2,625,000)

Fiscal Analysis

The bill would amend the Health and Safety Code to change the amount of nonparty compact waste that can be accepted for disposal at the low-level radioactive waste Compact Waste Disposal Facility (Disposal Facility) and would decrease the surcharge on the disposal of nonparty compact waste at the Disposal Facility from 20 to five percent of the total contacted rate.

The bill would establish a mechanism to ensure that the average disposal fee for party state compact waste is lower than for nonparty compact waste and would require the Disposal Facility license holder to provide to the Texas Commission on Environmental Quality an annual comparison of the average disposal fees charged for party state and nonparty state compact waste. If this analysis demonstrates that the average fee charged for nonparty state compact waste is lower than the average fee charged for party state compact waste, then party state waste generators will receive a rebate of an amount that would result in an average fee for party state compact waste that is one dollar less than the average fee charged for nonparty state compact waste. In addition, the bill would repeal the remittance of 5 percent of the license holder's gross receipts received from the disposal of a radioactive substance under the license to the General Revenue Fund.

The bill would take effect on September 1, 2019.

Methodology

Surcharges on the disposal of nonparty compact waste at the Disposal Facility are deposited to the credit of General Revenue-Dedicated Environmental Radiation and Perpetual Care Account No. 5158 (Account No. 5158). The Comptroller's Biennial Revenue Estimate anticipates collections of \$3,560,000 each year from this revenue source. According to the Comptroller of Public Accounts, decreasing the surcharge on disposal of nonparty compact waste at the Disposal Facility from 20 to five percent of the total contracted rate would result in revenue reductions of \$2,670,000 each year to Account No. 5158.

In addition, according to the Comptroller of Public Accounts, repeal of the 5 percent license holder gross disposal receipts from operations that were deposited to the credit of the General Revenue Fund would result in an annual revenue decrease of \$1,500,000.

This estimate assumes that obligations from the remaining provisions of this bill could be absorbed with available 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, 535 Low-level Radioactive Waste Disposal Compact Commission

LBB Staff: WP, GDz, SZ, MW