

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 16, 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: HB3318 by Burns (Relating to a permit requirement for the land application of domestic septage.), **As Introduced**

The fiscal implications to the State cannot be determined because the total revenue from application fees for land application of domestic septage permits cannot be estimated.

The bill would amend the Health and Safety Code to require an individual permit for the land application of domestic septage. The bill defines domestic septage, requires an individual permit for domestic septage land application, and holds these applications to the same permit and application requirements as Class B sludge land application sites. The bill would enable the Texas Commission on Environmental Quality to expand the definition of domestic septage to meet a more stringent pathogen reduction requirement and requires the agency to create and operate a domestic septage land application tracking system.

Under current law there is no application fee for a domestic septage land application registration. According to the Texas Commission on Environmental Quality (TCEQ), there are approximately 50 active registrations; however the exact revenue that would be generated from this permit cannot be determined due to the large range of possible application fees that could be assessed based upon the application. TCEQ estimates that application fees would range from \$1,000 to \$5,000 and that total application fees from all possible applications under the provisions of the bill could range from \$50,000 to \$250,000 every five years with revenues deposited to the credit of General Revenue-Dedicated Waste Management Account No. 549.

The bill would take effect September 1, 2019, unless the bill receives a two-thirds vote in both houses of the legislature in which case it would take effect immediately.

Local Government Impact

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

Source Agencies: 582 Commission on Environmental Quality, 212 Office of Court Administration, Texas Judicial Council

LBB Staff: WP, SZ, MW, GDz, SLE, DA