

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 9, 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: HB4089 by Blanco (Relating to the regulation of radioactive waste.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB4089, As Introduced: a negative impact of (\$488,319) 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	(\$223,015)
2021	(\$265,304)
2022	(\$265,304)
2023	(\$265,304)
2024	(\$265,304)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1	Change in Number of State Employees from FY 2019
2020	(\$223,015)	2.0
2021	(\$265,304)	2.0
2022	(\$265,304)	2.0
2023	(\$265,304)	2.0
2024	(\$265,304)	2.0

Fiscal Analysis

The bill would amend the Health and Safety Code to expand certain requirements of shippers and carriers for low-level radioactive waste to include shippers and carriers of any radioactive waste. These would include adopting an emergency plan for responding to accidents, providing notice of shipping and/or any accidents that may occur in transit to the Department of State Health Services (DSHS) and the local emergency planning committee for each county through which the waste is traveling, adopting a quality control program approved by DSHS to verify suitable shipping containers are being used to transport the waste, and that shippers and carriers carry liability insurance sufficient to cover damages likely to be caused by a shipping accident.

The bill would require the State Auditor to review the federal license applications for and proposals to expand radioactive waste storage or disposal in the State. In addition, the bill would require the State Auditor to analyze potential remediation costs and the potential economic and health effects related to radioactive waste. The State Auditor would be required to report the results of the review and analysis no later than December 1, 2020.

The bill would remove the fee of \$10 per cubic foot of shipped low-level radioactive waste and would authorize the Texas Commission on Environmental Quality (TCEQ) to set a disposal fee for waste disposed at a federal waste disposal facility in an amount that would be adequate to remediate a potential radiation release and any related damages. The bill would also expand DSHS' authority to collect fees from these new stakeholders.

The bill would take effect September 1, 2019.

Methodology

Based on information provided by DSHS, this estimate assumes that the agency would require two additional Health Physicist I FTE positions to collect fees and evaluate shipper quality control programs as required under the provisions of the bill with estimated General Revenue costs of \$223,015 in fiscal year 2020 and \$265,304 each subsequent year.

Under current law, the fee of \$10 per cubic foot of shipped low-level radioactive waste is assessed by DSHS and deposited to the credit of General Revenue-Dedicated Perpetual Care Account No. 5096. Under the provisions of the bill, this fee is discontinued and replaced with a fee set by TCEQ in an amount it determines to be adequate to remediate a potential radiation release and related damage. The fiscal impact from revenues from the fee that would be established by TCEQ cannot be determined because the agency currently only receives information on disposal of low-level radioactive waste and is not able to estimate fees for other types of radioactive wastes that might require remediation from a potential release.

This analysis assumes that duties and responsibilities associated with implementing the remaining provisions of the bill by the State Auditor's Office and TCEQ could be accomplished with available resources.

Local Government Impact

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

Source Agencies: 308 State Auditor's Office, 537 State Health Services, Department of, 582 Commission on Environmental Quality

LBB Staff: WP, SZ, MW, GDz, MMF