

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 5, 2019

TO: Honorable Brian Birdwell, Chair, Senate Committee on Natural Resources & Economic Development

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

IN RE: **SB649** by Zaffirini (Relating to promotion of the use of recyclable materials as feedstock for processing and manufacturing.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for SB649, Committee Report 1st House, Substituted: 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, Six-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2020	\$0
2021	\$0
2022	\$0
2023	\$0
2024	\$0
2025	\$0

All Funds, Six-Year Impact:

Fiscal Year	Probable Savings/(Cost) from Waste Management Acct 549
2020	(\$250,000)
2021	(\$250,000)
2022	\$0
2023	\$0
2024	(\$250,000)
2025	(\$250,000)

Fiscal Analysis

The bill would require the Texas Commission on Environmental Quality (TCEQ) to produce a plan to stimulate the use of recyclable materials as feedstock in manufacturing in cooperation with the Texas Economic Development and Tourism Office. The bill provides details on the plan's contents, how the agency must prepare the plan, requires a progress report be developed no later than September 1, 2020, requires that the plan be updated every four years, and permits TCEQ to contract with public or private entities to produce the plan. The bill would also require TCEQ to develop an educational program with specific contents as provided in the bill and requires the agency to update this program at least every four years. The bill would require implementation of the educational program and completion of the initial recycling plan no later than September 1, 2021.

TCEQ is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the TCEQ may, but is not required to, implement a provision of this Act using other appropriations available for that purpose. The bill would take effect September 1, 2019 unless it receives a two-thirds vote of all members in which case it would take effect immediately.

Methodology

Based on the analysis of TCEQ, it is assumed that TCEQ would need to contract with a public, private, or nonprofit organization to produce the recycling plan for an estimated cost of \$500,000 for the initial and each subsequent version. This cost would be split between two fiscal years with \$250,000 in the first year for costs associated with surveying and data collection and \$250,000 in the second year for costs associated with report writing and publication. In addition, TCEQ and the Texas Economic Development and Tourism Office would be required to submit a progress report to the Office of the Governor no later than September 1, 2020 and to submit the recycling plan and implement the education program no later than September 1, 2021. These costs would recur with each four-year update of the plan. Based on information provided by TCEQ, this analysis assumes that development of the educational program can be absorbed with existing resources.

Local Government Impact

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

Source Agencies: 300 Trusteed Programs Within the Office of the Governor, 582
Commission on Environmental Quality

LBB Staff: WP, SZ, MW, GDz