

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 23, 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: **SB950** by Kolkhorst (Relating to the definition of a commercial hazardous waste management facility.), **As Introduced**

The fiscal implications to the State cannot be determined because the number of non-commercial hazardous waste management facilities that would be considered commercial hazardous waste management facilities under the provisions of the bill is unknown.

The bill would amend the Health and Safety Code to broaden the definition of a commercial hazardous waste management facility to include any facility that accepts hazardous waste or PCBs other than manufacturing or production facilities that generate industrial solid waste or hazardous waste that is routinely stored, processed, or disposed of in an integrated waste management unit owned, operated by, and located within a contiguous manufacturing complex. The bill would take effect September 1, 2019.

Under current law, the fee paid to the Texas Commission on Environmental Quality (TCEQ) for noncommercial in-state landfill waste is \$15 per ton and for commercial in-state landfill waste is \$30 per ton. Pursuant to Health and Safety Code 361.133, TCEQ is required to make payments to counties equaling 25 percent of the fee collected and the state is permitted to retain up to \$16 million of the remaining collection. This amount is deposited evenly to the credit of General Revenue-Dedicated Waste Management Account No. 549 and Hazardous and Solid Waste Remediation Account No. 550.

Based on the analyses of the Comptroller of Public Accounts and TCEQ, the fiscal impact to the state of future fee revenue resulting from these definitional changes cannot be determined because the number of facilities that would adjust business practices to the new rules and patterns of waste disposal in order to avoid being classified as commercial and, therefore, subject to a higher hazardous waste management fee is unknown.

Local Government Impact

Commercial hazardous waste facilities pay 25 percent of the hazardous waste management fee to the county in which a facility is located. If noncommercial facilities are converted to commercial, the counties in which those facilities are located could see an indeterminate increase in revenue.

Source Agencies: 304 Comptroller of Public Accounts, 582 Commission on Environmental

Quality

LBB Staff: WP, SZ, MW, GDz