

SENATE AMENDMENTS

2nd Printing

By: Stephenson, González of El Paso, Stucky,
Anderson

H.B. No. 191

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the disposal of pesticides.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

4 SECTION 1. Subchapter A, Chapter 76, Agriculture Code, is
5 amended by adding Section 76.009 to read as follows:

6 Sec. 76.009. PESTICIDE DISPOSAL FUND. (a) The pesticide
7 disposal fund is a fund in the state treasury outside the general
8 revenue fund. The fund consists of:

9 (1) money deposited to the credit of the fund under
10 Section 76.044; and

11 (2) interest earned on the investment of money in the
12 fund.

13 (b) The department shall administer the fund. Money in the
14 fund may be appropriated only for the purposes of the pesticide
15 waste and pesticide container collection activities performed
16 under Section 76.132.

17 SECTION 2. Section 76.044, Agriculture Code, is amended by
18 adding Subsection (c) to read as follows:

19 (c) Of the money received by the department under this
20 section, the department shall annually deposit to the credit of the
21 pesticide disposal fund under Section 76.009 an amount to cover the
22 cost of administering the pesticide waste and pesticide container
23 collection activities performed under Section 76.132, not to exceed
24 \$400,000. The department may not increase the amount of a fee under

1 this section for purposes of this subsection or Section 76.132.

2 SECTION 3. Subchapter F, Chapter 76, Agriculture Code, is
3 amended by adding Section 76.132 to read as follows:

4 Sec. 76.132. DISPOSAL OF PESTICIDE. The department, in
5 coordination with the Texas Commission on Environmental Quality and
6 the Texas A&M AgriLife Extension Service, shall organize pesticide
7 waste and pesticide container collection activities statewide. The
8 department, the Texas Commission on Environmental Quality, and the
9 Texas A&M AgriLife Extension Service may contract for the services
10 of contractors that are licensed in the disposal of hazardous waste
11 under Section 401.202, Health and Safety Code, or other contractors
12 to implement the pesticide waste and pesticide container collection
13 activities and facilitate the collection of canceled,
14 unregistered, or otherwise unwanted pesticide products and
15 pesticide containers.

16 SECTION 4. This Act takes effect September 1, 2019.

ADOPTED

MAY 16 2019

FLOOR AMENDMENT NO. 1

Leta Spauld
Secretary of the Senate

BY: *L. W. Kolbe*

1 Amend H.B. 191 (senate committee printing) by adding the
2 following appropriately numbered SECTION to the bill and
3 renumbering subsequent SECTIONS of the bill accordingly:

4 SECTION _____. The Texas Department of Agriculture is
5 required to implement a provision of this Act only if the
6 legislature appropriates money specifically for that purpose. If
7 the legislature does not appropriate money specifically for that
8 purpose, the department may, but is not required to, implement a
9 provision of this Act using other appropriations available for
10 that purpose.

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 17, 2019

TO: Honorable Dennis Bonnen, Speaker of the House, House of Representatives

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

IN RE: HB191 by Stephenson (Relating to the disposal of pesticides.), As Passed 2nd House

Estimated Two-year Net Impact to General Revenue Related Funds for HB191, As Passed 2nd House: a negative impact of (\$940,122) through the biennium ending August 31, 2021.

The Department of Agriculture 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 agency may, but is not required to, implement a provision of this Act using other appropriations available for that purpose.

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	(\$475,564)
2021	(\$464,558)
2022	(\$464,558)
2023	(\$464,558)
2024	(\$464,558)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Revenue Gain/(Loss) from <i>New Other - Pesticide Disposal Fund</i>	Probable Savings/(Cost) from <i>New Other - Pesticide Disposal Fund</i>	Change in Number of State Employees from FY 2019
2020	(\$475,564)	\$400,000	(\$400,000)	1.0
2021	(\$464,558)	\$400,000	(\$400,000)	1.0
2022	(\$464,558)	\$400,000	(\$400,000)	1.0
2023	(\$464,558)	\$400,000	(\$400,000)	1.0
2024	(\$464,558)	\$400,000	(\$400,000)	1.0

Fiscal Analysis

The bill would amend the Agriculture Code to create the new Pesticide Disposal Fund in the state treasury outside of the General Revenue Fund. It would consist of revenue from annual transfers of pesticide registration fees of up to \$400,000 in amounts determined by the Department of Agriculture (TDA) to be necessary to administer pesticide waste and container collection activities. Interest earned from money in the fund would be deposited to the credit of the fund. TDA would be prohibited from raising fees to fund pesticide waste and container collection activities. The fund would be administered by TDA for the sole purpose of working with Texas A&M AgriLife Extension Service (TAES) and the Texas Commission on Environmental Quality (TCEQ) to organize pesticide waste and pesticide container collection activities statewide. TDA, TAES, and TCEQ would be authorized to arrange for contractors to collect cancelled, unregistered, or unwanted pesticide products and containers. The bill would prohibit TDA from increasing fees to administer pesticide waste and container collection activities.

This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

The bill would take effect September 1, 2019.

Methodology

Currently, fees collected pursuant to Agriculture Code, Section 76.044 are part of fees required to be set by TDA to cover appropriations and other direct and indirect costs for the Agricultural Pesticide Regulation program, and are deposited to General Revenue. Based on information provided by the Comptroller, revenue from pesticide regulation fees in fiscal year 2018 totaled \$5,647,896. In addition to this fee, two other fees are assessed that fund the program which include a pesticide dealer licensing fee and a pesticide applicator certification fee. Based on information provided by the Comptroller, revenue from these two fees totaled \$2,743,615 in fiscal year 2019. In sum, the total amount of revenue collected in fiscal year 2018 for the Agricultural Pesticide Regulation program totaled \$8,391,511. For the purposes of this analysis, it is also assumed that revenue collections from all three of these fees for the Agricultural Pesticide Regulation program would continue at similar levels in each subsequent fiscal year. Revenue collected from these fees each fiscal year in excess of amounts necessary to pay for appropriations and other direct and indirect costs remain in the General Revenue Fund and are available to be appropriated for other purposes. For the purposes of this analysis, it is assumed that a similar excess amount would continue to remain in the General Revenue Fund each fiscal year.

Information provided by TDA in its Legislative Appropriation Request to the Eighty-sixth Legislature reported General Revenue spending of \$4,587,817 in fiscal year 2018 and \$4,581,533 in fiscal year 2019 for the Agricultural Pesticide Program included in Strategy B.2.1, Regulate Pesticide Use, under current law. Based on information provided by the Comptroller, this analysis assumes other direct and indirect cost for the Agricultural Pesticide Regulation program totals \$1,468,702 in fiscal year 2018 and that similar amounts would continue in subsequent fiscal year.

Based on the excess revenue anticipated to be available from the pesticide regulation fees each fiscal year, this analysis assumes that the statutory maximum would be transferred to the newly created Pesticide Disposal Fund each fiscal year for the pesticide disposal program and that the entire amount transferred would be expended each fiscal year. This analysis also assumes that

TDA would not increase fees to administer pesticide waste and container collection activities in alignment with the requirements of the bill.

In order to administer pesticide waste and container collection activities required by the bill, this analysis assumes TDA would need 1.0 Program Specialist I (salary \$47,688 per year). Costs associated with that 1.0 FTE total \$75,564 in fiscal year 2020, and \$64,558 each subsequent year from fee generated General Revenue. The analysis assumes TAES and TCEQ could perform necessary duties using existing resources.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts, 551 Department of Agriculture, 555 Texas A&M AgriLife Extension Service, 582 Commission on Environmental Quality

LBB Staff: WP, PBO, SZ, MW, CBR

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 24, 2019

TO: Honorable Charles Perry, Chair, Senate Committee on Water & Rural Affairs

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

IN RE: HB191 by Stephenson (Relating to the disposal of pesticides.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB191, As Engrossed: a negative impact of (\$940,122) 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:

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2020	(\$475,564)
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All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1	Probable Revenue Gain/(Loss) from New Other - Pesticide Disposal Fund	Probable Savings/(Cost) from New Other - Pesticide Disposal Fund	Change in Number of State Employees from FY 2019
2020	(\$475,564)	\$400,000	(\$400,000)	1.0
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Fiscal Analysis

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The bill would take effect September 1, 2019.

Methodology

Currently, fees collected pursuant to Agriculture Code, Section 76.044 are part of fees required to be set by TDA to cover appropriations and other direct and indirect costs for the Agricultural Pesticide Regulation program, and are deposited to General Revenue. Based on information provided by the Comptroller, revenue from pesticide regulation fees in fiscal year 2018 totaled \$5,647,896. In addition to this fee, two other fees are assessed that fund the program which include a pesticide dealer licensing fee and a pesticide applicator certification fee. Based on information provided by the Comptroller, revenue from these two fees totaled \$2,743,615 in fiscal year 2019. In sum, the total amount of revenue collected in fiscal year 2018 for the Agricultural Pesticide Regulation program totaled \$8,391,511. For the purposes of this analysis, it is also assumed that revenue collections from all three of these fees for the Agricultural Pesticide Regulation program would continue at similar levels in each subsequent fiscal year. Revenue collected from these fees each fiscal year in excess of amounts necessary to pay for appropriations and other direct and indirect costs remain in the General Revenue Fund and are available to be appropriated for other purposes. For the purposes of this analysis, it is assumed that a similar excess amount would continue to remain in the General Revenue Fund each fiscal year.

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Based on the excess revenue anticipated to be available from the pesticide regulation fees each fiscal year, this analysis assumes that the statutory maximum would be transferred to the newly created Pesticide Disposal Fund each fiscal year for the pesticide disposal program and that the entire amount transferred would be expended each fiscal year. This analysis also assumes that

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Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts, 551 Department of Agriculture, 555 Texas A&M AgriLife Extension Service, 582 Commission on Environmental Quality

LBB Staff: WP, SZ, MW, PBO, CBR

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

March 28, 2019

TO: Honorable Drew Springer, Chair, House Committee on Agriculture & Livestock

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

IN RE: HB191 by Stephenson (Relating to the disposal of pesticides.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB191, Committee Report 1st House, Substituted: a negative impact of (\$940,122) through the biennium ending August 31, 2021.

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Local Government Impact

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Source Agencies: 304 Comptroller of Public Accounts, 551 Department of Agriculture, 555 Texas A&M AgriLife Extension Service, 582 Commission on Environmental Quality

LBB Staff: WP, SZ, MW, PBO, CBR

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

March 17, 2019

TO: Honorable Drew Springer, Chair, House Committee on Agriculture & Livestock

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

IN RE: HB191 by Stephenson (Relating to the disposal of pesticides.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB191, As Introduced: 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, Five-Year Impact:

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

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from <i>General Revenue Fund</i> 1	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Revenue Gain/(Loss) from <i>New Other - Pesticide Disposal Fund</i>	Probable Savings/(Cost) from <i>New Other - Pesticide Disposal Fund</i>
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2023	\$464,558	(\$464,558)	\$400,000	(\$400,000)
2024	\$464,558	(\$464,558)	\$400,000	(\$400,000)

Fiscal Year	Change in Number of State Employees from FY 2019
2020	1.0
2021	1.0
2022	1.0
2023	1.0
2024	1.0

Fiscal Analysis

The bill would amend the Agriculture Code to create the new Pesticide Disposal Fund in the state treasury outside of the General Revenue Fund. It would consist of revenue from annual transfers of pesticide registration fees of up to \$400,000 in amounts determined by the Department of Agriculture (TDA) to be necessary to administer pesticide waste and container collection activities. Interest earned from money in the fund would be deposited to the credit of the fund. The fund would be administered by TDA for the sole purpose of working with Texas A&M AgriLife Extension Service (TAES) and the Texas Commission on Environmental Quality (TCEQ) to organize pesticide waste and pesticide container collection activities statewide. TDA, TAES, and TCEQ would be authorized to arrange for contractors to collect cancelled, unregistered, or unwanted pesticide products and containers.

This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

The bill would take effect September 1, 2019.

Methodology

Currently, fees collected pursuant to Agriculture Code, Section 76.044 are required to be set by TDA to recover costs of the Agricultural Pesticide Regulation program, and are deposited to General Revenue. This analysis assumes that the revenue transferred to the new Pesticide Disposal Fund as directed by the bill will result in TDA raising pesticide product registration fees to offset this reduction. This analysis assumes that costs for the pesticide disposal program are assumed to be equal to the amount transferred each fiscal year. Amounts in this analysis assume the statutory maximum would be transferred.

In order to administer pesticide waste and container collection activities required by the bill, this analysis assumes TDA would need 1.0 Program Specialist I (salary \$47,688 per year). Costs associated with that 1.0 FTE total \$75,564 in fiscal year 2020, and \$64,558 each subsequent year from fee generated General Revenue. The analysis assumes TAES and TCEQ could perform necessary duties using existing resources.

Local Government Impact

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Source Agencies: 304 Comptroller of Public Accounts, 551 Department of Agriculture, 555 Texas A&M AgriLife Extension Service, 582 Commission on

Environmental Quality

LBB Staff: WP, SZ, MW, PBO, CBR