

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

March 21, 2021

TO: Honorable Brooks Landgraf, Chair, House Committee on Environmental Regulation

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2072 by Lambert (Relating to the expiration of the dry cleaner environmental response program.),
As Introduced

Estimated Two-year Net Impact to General Revenue Related Funds for HB2072, As Introduced : an impact of \$0 through the biennium ending August 31, 2023.

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:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to <i>General Revenue Related Funds</i>
2022	\$0
2023	\$0
2024	\$0
2025	\$0
2026	\$0

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Revenue Gain/(Loss) from <i>Dry Cleaning Facility Release Acct 5093</i>	Probable Savings/(Cost) from <i>Dry Cleaning Facility Release Acct 5093</i>
2022	\$3,164,000	(\$3,592,999)
2023	\$3,164,000	(\$3,592,999)
2024	\$3,164,000	(\$3,592,999)
2025	\$3,164,000	(\$3,592,999)
2026	\$3,164,000	(\$3,592,999)

Fiscal Analysis

The bill would extend the expiration date of the Texas Commission on Environmental Quality (TCEQ) Dry Cleaner Environmental Response program, established in Health and Safety Code Ch. 374, from September 1, 2021 to September 1, 2041. The bill would amend statute such that sites undergoing assessment or corrective action related to the Dry Cleaner Environmental Response program as of September 1, 2041 would be completed to the extent that money from the General Revenue-Dedicated Dry Cleaning Facility Release Fund No. 5093 is appropriated.

The bill would take effect September 1, 2021 unless it receives a vote of two-thirds of all members elected to each house in which case it would take effect immediately.

Methodology

By extending the expiration date of the Dry Cleaner Environmental Response program, the bill would authorize the continued collection of revenue from annual registration fees paid by owners of operating dry cleaning facilities or dry cleaning drop stations, and registration fees from qualified owners of the property on which a dry cleaning facility or drop station is or was located until September 1, 2041. TCEQ does not anticipate that these fee revenues to the Dry Cleaning Facility Release Fund No. 5093 will change significantly in future years.

The bill would continue revenue and appropriations for the program in fiscal year 2022, whereas under current law, the revenue and appropriations would no longer exist beginning in fiscal year 2022.

Based on the analysis of the Comptroller of Public Accounts, extending the collection of annual registration fees and the fee on purchase of dry-cleaning solvents deposited to the credit of General Revenue-Dedicated Dry Cleaning Facility Release Account No. 5093 would result in a revenue gain of \$3,164,000 each fiscal year.

In the 2020–21 biennium, \$3,592,999 each fiscal year was appropriated from the General Revenue-Dedicated Dry Cleaning Facility Release Account No. 5093 for the Dry Cleaning Assessment and Cleanup program. This estimate assumes that amounts appropriated to TCEQ in the 2020–21 biennium for the Dry Cleaner Environmental Response program would continue to be appropriated in future years.

Local Government Impact

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

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

LBB Staff: JMc, AJL, MW, GDZ, CMA, SZ