

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION**

**April 26, 2023**

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

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB3282** by Jones, Venton (relating to the manufacture, transportation, storage, and disposal of new and scrap tires; authorizing a fee.), **Committee Report 1st House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB3282, Committee Report 1st House, Substituted : an impact of \$0 through the biennium ending August 31, 2025.

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>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2024	\$0
2025	\$0
2026	\$0
2027	\$0
2028	\$0

**All Funds, Five-Year Impact:**

<i>Fiscal Year</i>	<i>Probable (Cost) from Waste Management Acct 549</i>
2024	(\$210,000)
2025	\$0
2026	\$0
2027	\$0
2028	\$0

**Fiscal Analysis**

The bill would amend the Health and Safety Code to require the Texas Commission on Environmental Quality (TCEQ) to collect completed tire manifests and electronic signatures from scrap tire generators, transporters, and disposal or storage facilities. The bill would authorize TCEQ to hold the scrap tire transporters and generators liable for each scrap tire that was not disposed at an authorized disposal or storage facility. The bill would require TCEQ to phase in standardized tire tagging and incorporate tire tagging into the tire manifest. The bill would authorize Commissioners Courts to fine scrap tire transporters and generators an amount up to \$500 per improperly disposed scrap tire or suspend or revoke the scrap tire generators license to sell tires. The bill would authorize Commissioners Courts to issue a fee of not more than \$5 for the disposal of each tire and

would require the Commissioners Courts to transfer 50 cents of the fee imposed to TCEQ.

### **Methodology**

Based on information provided by TCEQ, this analysis assumes the agency would have to update STEERS and IDA applications to update the electronic manifest system and to create a tire tagging system. This analysis assumes information technology costs would be provided from General Revenue-Dedicated Waste Management Account No. 549 totaling \$210,000 in fiscal year 2024.

This analysis assumes all other costs associated with implementing the provisions of the bill could be absorbed using existing resources.

Based on information provided by the Comptroller of Public Accounts, the revenue increase from the 50 cent fee transfer from Commissioners Courts to TCEQ established by the bill cannot be determined as the number of counties that may impose a fee and the volume of scrap tires subject to the fees is unknown. Absent of direction in the bill, this analysis also assumes that any revenue collected from the revenue transferred to the state would be deposited to the credit of the General Revenue Fund and not General Revenue-Dedicated Waste Management Account No. 549.

### **Technology**

Technology costs reflected in the table above include \$210,000 in fiscal year 2024 to update the electronic manifest system and create the tire tagging system.

### **Local Government Impact**

The impact on local governments cannot be determined because the number and amount of fees that would be issued for the disposal of tires as well as the number of improperly disposed of scrap tires for which a fine would be issued and the amount of those fines are unknown.

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

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