

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATURE 3rd CALLED SESSION -2003

September 29, 2003

TO: Honorable Tom Craddick, Speaker of the House, House of Representatives

FROM: John Keel, Director, Legislative Budget Board

IN RE: **HB37** by Bonnen (Relating to contracts and grant programs related to the Texas Emissions Reduction Plan.), **As Passed 2nd House**

Estimated Two -year Net Impact to General Revenue Related Funds for HB37, As Passed 2nd House: an impact of \$0 through the biennium ending August 31, 2005.

Appropriations:

Fiscal Year	Appropriation out of TEXAS EMISSIONS REDUCTION PLAN 5071
2004	\$10,814,310
2005	\$13,350,335

General Revenue -Related Funds, Two -Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	\$0
2005	\$0

Fiscal Analysis

The bill would transfer functions relating grant making for the technology research and development program from the Texas Council on Environmental Technology (TCET) to the Texas Commission on Environmental Quality (TCEQ). The bill also would modify appropriations made in Article IX, Section 11.21 of House Bill 1, Seventy -Eighth Legislature, transferring appropriations made to TCET (which were vetoed by the Governor) to the TCEQ.

Methodology

This estimate assumes that all funds originally appropriated to the TCET by House Bill 1, Seventy Eighth Legislature, Regular Session remain currently unappropriated, as a result of the Governor's veto. However, this estimate assumes that all such unappropriated funds in the Texas Emissions Reduction Plan (TERP) Account No. 5071 would be appropriated to the TCEQ by the bill. The amounts appropriated by the bill (an estimated \$10.8 million in 2004 and \$13.4 million in 2005) are equal to 9.5 of the total estimated revenue to accrue to the TERP Account each fiscal year (\$119.1 million in 2004 and \$145.8 million in 2005), minus \$500,000 each year to be transferred to the Clean Air Account No. 151 per Health and Safety Code, Section 386.252.

The cost to the state resulting from the bill's passage (\$1.5 million each fiscal year 2004 and 2005) is derived from the amounts that were appropriated to the TCET in the agency's regular bill pattern in

House Bill 1, Seventy -Eighth Legislature, Regular Session, since these are the only amounts the Comptroller's Office reports having credited as savings as a result of the Governor's veto of TCET appropriations.

Local Government Impact

No fiscal implication to units of local government is anticipated.

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

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