

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 18, 2005

TO: Honorable Dennis Bonnen, Chair, House Committee on Environmental Regulation

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB3290 by Chisum (Relating to enabling the use of fuel ethanol and biodiesel in Texas.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would provide for diesel fuel blended with fuel ethanol or biodiesel in proportions of less than 20% of fuel ethanol or biodiesel to be considered as an alternative fuel option for the Texas Commission on Environmental Quality (TCEQ) in adopting rules for alternative fuels that will reduce emissions. No significant fiscal impact to the agency's workload is expected as a result of the bill's passage. Although biodiesel is significantly more expensive than diesel fuel, the bill's passage is not expected to result in additional costs to state agencies purchasing diesel fuel because the bill would not mandate the use of biodiesel.

Local Government Impact

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

Source Agencies: 582 Commission on Environmental Quality

LBB Staff: JOB, WK, ZS, TL