

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 7, 2005

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

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

IN RE: HB3469 by Hochberg (Relating to the creation of the Texas Clean School Bus Program.),
Committee Report 1st House, Substituted

No significant fiscal implication to the State is anticipated.

The bill would establish a clean school bus program within the Texas Emissions Reduction Plan (TERP) program operated by the Texas Commission on Environmental Quality (TCEQ). The bill would provide for up to 1.5 percent of the 87.5 percent of TERP Account No. 5071 funds currently used for diesel emissions reduction incentive grants to be used for grants for the clean school bus program. Since the bill would provide that money be allocated to the clean school bus program only if the money is available after being used to achieve emissions reductions objectives in the state implementation plan for air quality, the bill would not create an additional need for TERP funds. Any administrative costs to the TCEQ could be absorbed using existing agency resources.

Local Government Impact

Local school districts, regional planning commissions, and councils of government could expect increased revenues, if a district would apply for an receive a Texas Clean School Bus program grant. Based on expected TERP Account No. 5071 in fiscal year 2006, up to approximately \$1.7 million each fiscal year could go to school districts throughout the state for projects aimed at reducing emissions from school bus engines, assuming the needs of the state implementation plan were met using remaining TERP Account No. 5071 funds.

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

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