

## **BILL ANALYSIS**

Senate Research Center  
80R3868 SMH-F

S.B. 529  
By: Watson et al.  
Natural Resources  
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As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Pollutants emitted from Texas' school buses invade the air that Texas school children breathe daily. The Texas Clean School Bus Program is a grant program administered by the Texas Commission on Environmental Quality, and every public school and educational service center in the state can apply for funds. The legislature approved the Clean School Bus Program in 2005, but it was never funded.

As proposed, S.B. 529 would enable the use of surplus money from the Texas Emissions Reduction Plan (TERP) and the Low Income Vehicle Repair and Assistance Program (LIRAP) and remove certain limits on spending that money. In addition, the bill updates the list of technologies that can be used to clean up the buses and provides guidance for prioritizing projects so that the money will be spent in the most effective way.

### **RULEMAKING AUTHORITY**

Rulemaking authority previously granted to the Texas Commission on Environmental Quality is modified in SECTION 9 (Section 390.004(a), Health and Safety Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

[While the statutory reference in this bill is to the TNRCC, the following amendments affect the Texas Commission on Environmental Quality, as the successor agency to TNRCC.]

SECTION 1. Amends Sections 382.202(q) and (r), Health and Safety Code, as follows:

(q) Adds the provision that the Texas Natural Resource Conservation Commission (commission) is authorized to make money available to the clean school bus program (program) established under Chapter 390 (Clean School Bus Program).

(r) Makes conforming changes.

SECTION 2. Amends Section 382.217(a), Health and Safety Code, to make a conforming change.

SECTION 3. Reenacts and amends Section 386.252(a), Health and Safety Code, as amended by Section 3, Chapter 766, Section 3, Chapter 1095, and Section 12, Chapter 1125, Acts of the 79th Legislature, Regular Session, 2005, to delete the restriction that no more than four percent of the Texas emissions reduction plan fund (fund) may be used for the program.

SECTION 4. Reenacts and amends Section 386.252(a), Health and Safety Code, as amended by Section 3, Chapter 766, Section 3, Chapter 1095, and Section 12, Chapter 1125, Acts of the 79th Legislature, Regular Session, 2005, effective September 1, 2008, to make a conforming change.

SECTION 5. Amends Section 386.252(c), Health and Safety Code, to authorize money from the fund that is not appropriated for implementing and administering programs established by the plan to be appropriated, rather than allocated, to the program established by Chapter 390 (Clean School Bus Program), notwithstanding Subsection (a). Deletes the requirements that money only be made available for the program after the allocation of money for other purposes as the state implementation plan requires and that the money deposited to the credit of the fund per fiscal year exceed the comptroller's estimated amount to be deposited to the fund's credit in that year.

SECTION 6. Amends Section 390.001, Health and Safety Code, by adding Subdivision (6), to define "school bus."

SECTION 7. Amends Section 390.002, Health and Safety Code, by amending Subsection (b) and adding Subsections (c) and (d), as follows:

(b) Deletes diesel oxidation catalysts for school buses built before 1994 from the projects that may be considered for a grant under the program. Provides that projects surrounding diesel particulate filters for school buses built between 2000 and 2006, rather than 1994 to 1998, are eligible for a grant under the program. Adds projects relating to closed crankcase filtration systems to eliminate diesel exhaust emitted from school buses built from 1992 to 2006 to the list of projects eligible for a grant from the program. Provides that projects relating to the purchase of add-on equipment verified by the United States Environmental Protection Agency or the California Air Resources Board as effectively reducing emissions, rather than emission-reducing add-on equipment, are projects that are eligible for a program grant. Includes the replacement of school buses built before 1994 and that would not otherwise be replaced before September 1, 2011, rather than the use of qualifying fuel, as a project eligible for a grant from the program.

(c) Requires the commission to consider school bus replacement schedules they determine in consultation with the Texas Education Agency to conclude whether school buses would be replaced prior to September 1, 2011. Prohibits a grant for replacing school buses that would not be replaced prior to September 1, 2011, from exceeding more than half the cost of replacement of each school bus the grant is intended for.

(d) Provides that the legislative intent of this program is to reduce to the maximum extent the emissions of diesel exhaust from the school bus fleet for the duration of the program. Requires preference for grants given during the state fiscal biennium ending August 31, 2009, to be given for the installation of closed crankcase filtration systems on eligible school buses and diesel particulate filters on the oldest eligible school buses. Provides that this program is not intended to act as a substitute for the normal schedule for replacing school buses.

SECTION 8. Amends Sections 390.003(a) and (b), Health and Safety Code, as follows:

(a) Sets forth certain entities that are authorized to apply for and receive a grant under this program. Deletes text authorizing a school district in this state that operates one or more diesel-fueled school buses or a transportation system provided by a county wide school district to apply for and receive a grant under the program.

(b) Includes regional education service centers in the entities that may apply for and receive a grant under guidelines adopted by the commission.

SECTION 9. Amends Section 390.004(a), Health and Safety Code, to provide that the criteria that the commission establishes by rule must be consistent with Section 390.002(d).

SECTION 10. Effective date: upon passage or September 1, 2007.