

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 17, 2007

TO: Honorable John Carona, Chair, Senate Committee on Transportation & Homeland Security

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

IN RE: HB3747 by McClendon (Relating to the use of money from the Texas rail relocation and improvement fund for rail projects.), **Committee Report 2nd House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3747, Committee Report 2nd House, Substituted: an impact of \$0 through the biennium ending August 31, 2009.

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:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2008	\$0
2009	\$0
2010	\$0
2011	\$0
2012	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue (Loss) from TEXAS EMISSIONS REDUCTION PLAN 5071	Probable Revenue Gain from TEXAS RAIL RELOCATION AND IMPROVEMENT FUND
2008	(\$25,000,000)	\$25,000,000
2009	(\$25,000,000)	\$25,000,000
2010	(\$25,000,000)	\$25,000,000
2011	\$0	\$0
2012	\$0	\$0

Fiscal Analysis

The bill would amend the Health and Safety Code to specify that the first \$25 million in the Texas Emissions Reduction Plan Fund (TERP) on September 1 of each year is to be transferred to the Texas Rail Relocation and Improvement Fund. The bill would authorize the Texas Commission on Environmental Quality (TCEQ) to include as an eligible infrastructure project for TERP funds, a project to reduce air pollution and engine idling by relieving congestion at a rail intersection located in a nonattainment area.

The bill would take effect immediately upon receiving a vote of two-thirds of all members elected to each house or otherwise on September 1, 2007.

Methodology

The provisions of the bill would result in a revenue loss of \$25 million to the Texas Emissions Reduction Plan Account No. 5071 and an equivalent revenue gain to the Texas Rail Relocation and Improvement Fund beginning in fiscal year 2008. Under current law, the Texas Emissions Reduction Plan Account will expire on August 31, 2010, and, therefore, it is assumed the fiscal implications of the bill would not continue beyond fiscal year 2010.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 601 Department of Transportation, 304 Comptroller of Public Accounts, 582 Commission on Environmental Quality

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