

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 24, 2007

TO: Honorable Jim Keffer, Chair, House Committee on Ways & Means

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

IN RE: SB663 by Hegar (Relating to the production and taxation of renewable diesel fuel.), As Engrossed

The effect of the addition of renewable diesel on the number of gallons of fuel that would be claimed under the fuel ethanol, biodiesel, and renewable diesel grants, available in Chapter 16 cannot be estimated because it is unknown what effect the addition of renewable diesel would have, if any, on production at eligible plants in Texas and the addition of renewable diesel in Chapter 162 cannot be estimated because it is not possible to predict how many gallons, if any, of the fuel would be used to propel motor vehicles on the public roads of Texas.

The bill would amend Chapter 162 of the Tax Code and Chapter 16 of the Agriculture Code, relating to "renewable diesel" and "biodiesel."

The bill would take effect immediately upon enactment, assuming that it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2007.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, CT, SD, WK