

SENATE AMENDMENTS

2nd Printing

By: Menendez, Straus

H.B. No. 160

A BILL TO BE ENTITLED

AN ACT

1
2 relating to a study on the relocation of freight trains away from
3 certain residential areas of the state.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. (a) The Texas Department of Transportation
6 shall conduct a study to determine the economic feasibility of
7 relocating freight trains that carry hazardous materials away from
8 residential areas of the state in municipalities with a population
9 of more than 1.2 million. The study must include an evaluation of
10 cost options for the relocation of freight trains from residential
11 areas.

12 (b) Not later than March 1, 2008, the Texas Department of
13 Transportation shall report the results of the study conducted
14 under Subsection (a) of this section to the governor and the
15 legislature.

16 SECTION 2. This Act takes effect immediately if it receives
17 a vote of two-thirds of all the members elected to each house, as
18 provided by Section 39, Article III, Texas Constitution. If this
19 Act does not receive the vote necessary for immediate effect, this
20 Act takes effect September 1, 2007.

ADOPTED

MAY 23 2007

Lotay Spaw
Secretary of the Senate

By: Menendez/Wentworth

H.B. No. 160

Substitute the following for H.B. No. 160 :

By: Wentworth

C.S.H.B. No. 160

A BILL TO BE ENTITLED

AN ACT

relating to rail relocation and improvement in the state.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. (a) The Texas Department of Transportation shall conduct a study to determine the economic feasibility of relocating freight trains that carry hazardous materials away from residential areas of the state in municipalities with a population of more than 1.2 million. The study must include an evaluation of cost options for the relocation of freight trains from residential areas.

(b) Not later than March 1, 2008, the Texas Department of Transportation shall report the results of the study conducted under Subsection (a) of this section to the governor and the legislature.

SECTION 2. Section 386.109, Health and Safety Code, is amended to read as follows:

Sec. 386.109. ELIGIBLE INFRASTRUCTURE PROJECTS. The commission may consider for funding under Section 386.108:

(1) the purchase and installation at a site of equipment that is designed primarily to dispense qualifying fuel, other than standard gasoline or diesel, or the purchase of on-site mobile fueling equipment;

(2) infrastructure projects, including auxiliary power units, designed to dispense electricity to motor vehicles and

1 on-road and non-road diesels; ~~and~~

2 (3) a project that involves a technology that allows a
3 vehicle to replace with electric power, while the vehicle is
4 parked, the power normally supplied by the vehicle's internal
5 combustion engine; and

6 (4) a project to reduce air pollution and engine
7 idling by relieving congestion through rail relocation or
8 improvement at a rail intersection that:

9 (A) is located in a nonattainment area at an
10 intersection of two interstate highways;

11 (B) is an intersection of two mainline tracks;
12 and

13 (C) handles more than 100 daily train movements,
14 including passenger, freight, and military cars and hazardous waste
15 shipments.

16 SECTION 3. Section 386.252(a), Health and Safety Code, as
17 amended by Section 3, Chapter 766, Section 3, Chapter 1095, and
18 Section 11, Chapter 1125, Acts of the 79th Legislature, Regular
19 Session, 2005, is reenacted and amended to read as follows:

20 (a) The first \$25 million in the fund on September 1 of each
21 year shall be transferred to the Texas rail relocation and
22 improvement fund. Money remaining in the fund may be used only to
23 implement and administer programs established under the plan and
24 shall be allocated as follows:

25 (1) for the diesel emissions reduction incentive
26 program, 87.5 percent of the money in the fund, of which not more
27 than four percent may be used for the clean school bus program and

1 not more than 10 percent may be used for on-road diesel purchase or
2 lease incentives;

3 (2) for the new technology research and development
4 program, 9.5 percent of the money in the fund, of which up to
5 \$250,000 is allocated for administration, up to \$200,000 is
6 allocated for a health effects study, \$500,000 is to be deposited in
7 the state treasury to the credit of the clean air account created
8 under Section 382.0622 to supplement funding for air quality
9 planning activities in affected counties, not less than 20 percent
10 is to be allocated each year to support research related to air
11 quality for the Houston-Galveston-Brazoria and Dallas-Fort Worth
12 nonattainment areas by a nonprofit organization based in Houston of
13 which \$216,000 each year shall be contracted to the Energy Systems
14 Laboratory at the Texas Engineering Experiment Station for the
15 development and annual calculation of creditable statewide
16 emissions reductions obtained through wind and other renewable
17 energy resources for the State Implementation Plan, and the balance
18 is to be allocated each year to that nonprofit organization based in
19 Houston to be used to implement and administer the new technology
20 research and development program under a contract with the
21 commission for the purpose of identifying, testing, and evaluating
22 new emissions-reducing technologies with potential for
23 commercialization in this state and to facilitate their
24 certification or verification; and

25 (3) for administrative costs incurred by the
26 commission and the laboratory, three percent of the money in the
27 fund.

1 SECTION 4. Effective September 1, 2008, Section 386.252(a),
2 Health and Safety Code, as amended by Section 3, Chapter 766,
3 Section 3, Chapter 1095, and Section 12, Chapter 1125, Acts of the
4 79th Legislature, Regular Session, 2005, is reenacted and amended
5 to read as follows:

6 (a) The first \$25 million in the fund on September 1 of each
7 year shall be transferred to the Texas rail relocation and
8 improvement fund. Money remaining in the fund may be used only to
9 implement and administer programs established under the plan and
10 shall be allocated as follows:

11 (1) for the diesel emissions reduction incentive
12 program, 64 percent of the money in the fund, of which not more than
13 four percent may be used for the clean school bus program and not
14 more than 10 percent may be used for on-road diesel purchase or
15 lease incentives;

16 (2) for the new technology research and development
17 program, 33 percent of the money in the fund, of which up to
18 \$250,000 is allocated for administration, up to \$200,000 is
19 allocated for a health effects study, \$500,000 is to be deposited in
20 the state treasury to the credit of the clean air account created
21 under Section 382.0622 to supplement funding for air quality
22 planning activities in affected counties, not less than 10 percent
23 is to be allocated each year to support research related to air
24 quality for the Houston-Galveston-Brazoria and Dallas-Fort Worth
25 nonattainment areas by a nonprofit organization based in Houston of
26 which \$216,000 each year shall be contracted to the Energy Systems
27 Laboratory at the Texas Engineering Experiment Station for the

1 development and annual calculation of creditable statewide
2 emissions reductions obtained through wind and other renewable
3 energy resources for the State Implementation Plan, not less than
4 25.5 percent is to be allocated each year to that nonprofit
5 organization based in Houston to be used to implement and
6 administer the new technology research and development program
7 under a contract with the commission for the purpose of
8 identifying, testing, and evaluating new emissions-reducing
9 technologies with potential for commercialization in this state and
10 to facilitate their certification or verification, not more than
11 \$12,500,000 is to be allocated each year from any excess funds to be
12 administered by the commission to fund a study of regional ozone
13 formation in this state, meteorological and chemical modeling, and
14 issues related to ozone formation by ozone precursors and fine
15 particulate matter formation in this state, and the balance is to be
16 allocated each year to the commission to fund promising new
17 technologies as identified through the new technology research and
18 development program and recommended by that nonprofit organization
19 based in Houston in order to permit obtaining the maximum credits
20 for emissions reductions under the state's air quality state
21 implementation plans; and

22 (3) for administrative costs incurred by the
23 commission and the laboratory, three percent of the money in the
24 fund.

25 SECTION 5. This Act takes effect immediately if it receives
26 a vote of two-thirds of all the members elected to each house, as
27 provided by Section 39, Article III, Texas Constitution. If this

- 1 Act does not receive the vote necessary for immediate effect, this
- 2 Act takes effect September 1, 2007.

ADOPTED

FLOOR AMENDMENT NO. 1

MAY 23 2007 BY: Amend

Lately Spaw
Secretary of the Senate

1 Amend C.S.H.B. No. 160 as follows:

2 (1) In SECTION 2 of the bill, added Subdivision (4),
3 Section 386.109, Health and Safety Code (on page 1), strike
4 lines 40 through 47 and substitute "improvement at a rail
5 intersection that is located in a nonattainment or near
6 nonattainment area".

7 (2) Strike SECTIONS 3 and 4 of the bill (page 1, line
8 48 through page 3, line 5) and renumber subsequent SECTIONS
9 accordingly.

8
A

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: HB160 by Menendez (Relating to a study on the relocation of freight trains away from certain residential areas of the state.), **Committee Report 2nd House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB160, 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 <i>TEXAS EMISSIONS REDUCTION PLAN 5071</i>	Probable Revenue Gain from <i>TEXAS RAIL RELOCATION AND IMPROVEMENT FUND</i>
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: 304 Comptroller of Public Accounts, 582 Commission on Environmental Quality, 601 Department of Transportation

LBB Staff: JOB, KJG, MW, TG

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 14, 2007

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

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

IN RE: HB160 by Menendez (Relating to a study on the relocation of freight trains away from certain residential areas of the state.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would require the Texas Department of Transportation (TxDOT) to conduct a study to determine the economic feasibility of relocating freight trains that carry hazardous materials away from residential areas in municipalities with populations of more than 1.2 million and report the results of the study to the Governor and the Legislature no later than March 1, 2008.

Based on the analysis of TxDOT, it is assumed any costs or duties associated with implementing the provisions of the bill could be absorbed within the agency's existing resources.

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.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 601 Department of Transportation

LBB Staff: JOB, KJG, TG

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 18, 2007

TO: Honorable Mike Krusee, Chair, House Committee on Transportation

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

IN RE: **HB160** by Menendez (Relating to a study on the relocation of freight trains away from residential areas of the state.), **Committee Report 1st House, As Amended**

No significant fiscal implication to the State is anticipated.

The bill would require the Texas Department of Transportation (TxDOT) to conduct a study to determine the economic feasibility of relocating freight trains that carry hazardous materials away from residential areas in municipalities with populations of more than 1.2 million and report the results of the study to the Governor and the Legislature no later than March 1, 2008.

Based on the analysis of TxDOT, it is assumed any costs or duties associated with implementing the provisions of the bill could be absorbed within the agency's existing resources.

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.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 601 Department of Transportation

LBB Staff: JOB, KJG, TG

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 4, 2007

TO: Honorable Mike Krusee, Chair, House Committee on Transportation

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

IN RE: **HB160** by Menendez (Relating to a study on the relocation of freight trains away from residential areas of the state.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would require the Texas Department of Transportation (TxDOT) to conduct a study to determine the economic feasibility of relocating freight trains that carry hazardous materials away from residential areas of the state and report the results of the study to the Governor and the Legislature no later than March 1, 2008.

Based on the analysis of TxDOT, it is assumed any costs or duties associated with implementing the provisions of the bill could be absorbed within the agency's existing resources.

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.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 601 Department of Transportation

LBB Staff: JOB, KJG, TG