

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**March 14, 2009**

**TO:** Honorable Burt R. Solomons, Chair, House Committee on State Affairs

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

**IN RE: HB432** by Lucio III (Relating to the low-emissions vehicles purchasing requirement for certain state agencies.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Government Code to require a state agency that purchases 10 or more vehicles in a state fiscal biennium to ensure that at least 20 percent (under current law the requirement is at least 10 percent) of the passenger vehicles purchased in any biennium meet or exceed standards to be classified as a Tier II, Bin 3, emissions standard vehicle that has a greenhouse gas score of eight under the Environmental Protection Agency regulations as they exist on September 1, 2007.

An exemption currently allows a state agency to purchase a vehicle that is not low-emission if the vehicle meets the agency's operational need and no such low-emission vehicle is commercially available. The Texas Department of Transportation, the Commission on Environmental Quality, and the Texas Parks and Wildlife Department indicated that some of their vehicle purchases fall under this exemption.

Low-emission vehicles cost approximately \$5,000 to \$7,000 more than traditional vehicles according to various agency responses.

The agencies contacted indicate that any costs associated with the bill could be absorbed within existing resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 305 General Land Office and Veterans' Land Board, 405 Department of Public Safety, 551 Department of Agriculture, 582 Commission on Environmental Quality, 601 Department of Transportation, 696 Department of Criminal Justice, 802 Parks and Wildlife Department

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