

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 13, 2009

TO: Honorable Byron Cook, Chair, House Committee on Environmental Regulation

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

IN RE: HB776 by Strama (Relating to the implementation by the Texas Commission on Environmental Quality of a low-emission vehicle program.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would require the Texas Commission on Environmental Quality to establish a low-emission vehicle program consistent with the California Low-Emission Vehicle Program (CLEVP), which is similar to current standards but they also include emission standards for greenhouse gases and zero emission vehicles. The provisions of the bill would apply to vehicles of model year 2012 or later. Some agencies reported that they would expect to pay between \$1,000 to \$3,000 extra per vehicle upon enactment of the bill. Other agencies reported that there would be no additional cost because automobile dealers report that they charge the same price for CLEVP vehicles as non-CLEVP vehicles. This estimate assumes that any cost increase resulting from the bill's passage would not be significant.

Local Government Impact

The Texas Association of Counties provided research from several sources, including automobile dealerships, the Air Resource Board, and the American Council for an Energy-Efficient Economy (ACEEE). Automobile dealerships indicated there is no difference in cost between a vehicle with a California emissions and a vehicle with federal emissions, and that vehicles over two tons currently meet more stringent emissions standards. Therefore, passage of the bill is not expected to result in a significant cost increase to local governments.

Source Agencies: 304 Comptroller of Public Accounts, 405 Department of Public Safety, 529 Health and Human Services Commission, 539 Aging and Disability Services, Department of, 582 Commission on Environmental Quality, 601 Department of Transportation, 696 Department of Criminal Justice, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration, 758 Texas State University System, 768 Texas Tech University System Administration, 769 University of North Texas System Administration, 802 Parks and Wildlife Department

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