

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 24, 2009

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

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

IN RE: HB1469 by Villarreal (Relating to the preparation of carbon dioxide emissions impact statements for legislation pending before the legislature.), **As Introduced**

<p>Estimated Two-year Net Impact to General Revenue Related Funds for HB1469, As Introduced: a negative impact of (\$715,601) through the biennium ending August 31, 2011.</p>

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2010	(\$250,000)
2011	(\$465,601)
2012	(\$210,277)
2013	(\$455,601)
2014	(\$210,277)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1
2010	(\$250,000)
2011	(\$465,601)
2012	(\$210,277)
2013	(\$455,601)
2014	(\$210,277)

Fiscal Year	Change in Number of State Employees from FY 2009
2010	0.0
2011	6.5
2012	3.0
2013	6.5
2014	3.0

Fiscal Analysis

The bill would amend Chapter 315, Government Code by requiring the Legislative Budget Board (LBB) and The Texas Commission on Environmental Quality (TCEQ) to jointly prepare a Carbon Dioxide Emissions Impact Statement for each joint resolution or bill pending before the legislature. The impact statement would analyze the effect of the proposed legislation on the anthropogenic

emissions of carbon dioxide in the state.

The statement would contain information on the category/categories of sources of carbon dioxide emissions affected by the proposed legislation, increases or decreases in carbon dioxide emissions anticipated to result from implementation of the proposed legislation, and any other information specified by a rule or resolution adopted by the house or senate. Under the bill, a board, commission, office or other agency in the executive or legislative branch of state government would be required to provide the LBB and TCEQ with information or assistance necessary to prepare the carbon dioxide impact statement.

The bill would take effect September 1, 2009.

Methodology

TCEQ reports carbon dioxide emissions are not currently estimated by the agency. However, current emissions estimation and contracting procedures can be used to develop the inventory and estimates of the emissions changes. In order to provide an assessment of impacts or carbon dioxide emissions and its sources, it would be necessary to create a database of such sources and their respective emission levels in the state. This analysis assumes this database would be developed by TCEQ.

According to TCEQ, development and implementation of a new organizational structure, as well as significant changes in operations and procedures would be required to review proposed legislation, collect data from various agencies, and analyze agency responses in order to prepare the impact statements.

This analysis assumes TCEQ would need an additional 6.5 FTE's during a session year beginning in 2011. Additional FTE's would decrease to 3.0 in non-session years beginning in 2012.

Technology

It is assumed that TCEQ would need to develop or enhance an existing database or system to maintain estimates. Database development is estimated to be approximately \$250,000 in FY 2010. An additional \$10,000 would be required for computer equipment in FY 2011.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 582 Commission on Environmental Quality

LBB Staff: JOB, WK, SD, MN