

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

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

**May 6, 2009**

**TO:** Honorable Steve Ogden, Chair, Senate Committee on Finance

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

**IN RE: SB763** by Watson (Relating to the requirement that state agencies purchase low-emissions vehicles as a minimum percentage of their purchased vehicles.), **Committee Report 1st House, Substituted**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would amend the Government Code to require state agencies to ensure that 25 percent (under current law the proportion is 10 percent) of eligible general use vehicle purchases in any state fiscal 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.

The bill would repeal a provision that provided that agencies with fewer than 10 vehicle purchases in a biennium are exempt from the standards. The bill would also create an exemption for the purchase of vehicles driven by peace officers whose duties include the apprehension of criminals.

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 there is no significant fiscal impact.

**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, 551 Department of Agriculture, 582 Commission on Environmental Quality, 601 Department of Transportation, 802 Parks and Wildlife Department

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