BILL ANALYSIS

C.S.H.B. 3812 By: Howard Environmental Regulation Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties report that county residents' vehicle emissions inspection fees under the lowincome vehicle repair assistance, retrofit, and accelerated vehicle retirement program and local initiative projects are supposed to be returned by the Texas Commission on Environmental Quality (TCEQ) to the counties to address local air emissions problems, but the parties report that this obligation is not being met. The parties note that this significantly reduces a county's ability to solve local problems using local funds. C.S.H.B. 3812 seeks to eliminate the need for TCEQ to act as a middleman by allowing these funds to be remitted from the Department of Public Safety directly to counties, which will make the program more efficient and ensure that county governments will be able to collect the funds that are intended for local air quality programs.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 3812 amends the Health and Safety Code to authorize an affected county that has incidents approaching, or monitors incidents that exceed, the eight-hour national ambient air quality standard for ozone to adopt by order a county air quality fee to be imposed at the time an emissions-related inspection is performed in the county and to be used by the county only for certain local initiative projects or for a low-income vehicle repair assistance, retrofit, and accelerated vehicle retirement program. The bill requires a county that adopts such a fee to notify the Department of Public Safety (DPS), in a manner determined by DPS, of the fee and the fee amount not later than the 60th day before the date the county imposes the fee. The bill caps the fee at the amount of a fee assessed in the county for an emissions-related inspection.

C.S.H.B. 3812 amends the Transportation Code to require DPS, after receiving notice that a county has adopted a county air quality fee, to notify inspection stations located in the county of the fee and to require the inspection stations to charge the fee and remit the fee to DPS. The bill creates the county air quality trust fund as a trust fund outside the treasury with the comptroller of public accounts and requires the fund to be administered by DPS as a trustee for the purpose of holding revenue DPS receives from inspection stations until DPS disburses the revenue to counties. The bill requires DPS to annually remit to the county imposing the fee revenue DPS receives from the inspection stations in the county from the fee and prohibits DPS from crediting the revenue to an account or fund in the state treasury. The bill specifies that the county air quality fee is not a Clean Air Act fee and authorizes DPS to deduct not more than two percent of the fees collected for administrative costs.

EFFECTIVE DATE

September 1, 2013.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 3812 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and highlighted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Subchapter G, Chapter 382, Health and Safety Code, is amended by adding Section 382.221 to read as follows:

Sec. 382.221. COUNTY AIR QUALITY FEE. (a) An affected county that has incidents approaching, or monitors incidents that exceed, the eight-hour national ambient air quality standard for ozone may by order adopt a county air quality fee:

(1) to be imposed at the time an emissionsrelated inspection is performed in the county; and

(2) to be used by the county only for:

(A) a low-income vehicle repair assistance, retrofit, and accelerated vehicle retirement program under Section 382.209; or

(B) local initiative projects under Section 382.220(b).

(b) A county that adopts a fee under this section shall notify the Department of Public Safety, in a manner determined by the department, of the fee and the fee amount not later than the 60th day before the date the county imposes the fee.

(c) The amount of the fee may not exceed the amount of a fee assessed for an emissions-related inspection under Section 548.505, Transportation Code.

SECTION 2. Subchapter H, Chapter 548, Transportation Code, is amended by adding Section 548.5056 to read as follows:

Sec. 548.5056. COUNTY AIR QUALITY FEE.

(a) After receiving notice that a county has adopted a county air quality fee under Section 382.221, Health and Safety Code, the department shall:

(1) notify inspection stations located in the county of the fee; and

(2) require the inspection stations to:

(A) charge the fee; and

(B) remit the fee to the department.

(b) The department shall remit to a county that imposes a fee under this section revenue

HOUSE COMMITTEE SUBSTITUTE

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Sec. 382.221. COUNTY AIR QUALITY FEE. (a) An affected county that has incidents approaching, or monitors incidents that exceed, the eight-hour national ambient air quality standard for ozone may by order adopt a county air quality fee:

(1) to be imposed at the time an emissionsrelated inspection is performed in the county; and

(2) to be used by the county only for:

(A) a low-income vehicle repair assistance, retrofit, and accelerated vehicle retirement program under Section 382.209; or

(B) local initiative projects under Section 382.220(b).

(b) A county that adopts a fee under this section shall notify the Department of Public Safety, in a manner determined by the department, of the fee and the fee amount not later than the 60th day before the date the county imposes the fee.

(c) The amount of the fee may not exceed the amount of a fee assessed in the county for an emissions-related inspection.

SECTION 2. Subchapter H, Chapter 548, Transportation Code, is amended by adding Section 548.5056 to read as follows:

Sec. 548.5056. COUNTY AIR QUALITY FEE; TRUST FUND.

(a) After receiving notice that a county has adopted a county air quality fee under Section 382.221, Health and Safety Code, the department shall:

(1) notify inspection stations located in the county of the fee; and

(2) require the inspection stations to:

(A) charge the fee; and

(B) remit the fee to the department.

(See Sec. 548.5056(d) added below.)

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the department receives from the inspection stations in the county under this section.

(c) The department may not send revenue received from an inspection station under this section to the comptroller or credit to an account or fund in the state treasury revenue received from an inspection station under this section.

(See Sec. 548.5056(b) added above.)

(d) A fee imposed under this section is not a Clean Air Act fee.

(e) The department may deduct for administrative costs an amount of not more than two percent of the fees collected under this section.

SECTION 3. Section 548.508, Transportation Code, is amended to read as follows:

Sec. 548.508. DISPOSITION OF FEES. Except as provided by Sections 382.0622 and 382.202, Health and Safety Code, and <u>Sections</u> [Section] 548.5055[,] and 548.5056, each fee collected by the department under this subchapter shall be deposited to the credit of the Texas mobility fund.

SECTION 4. This Act takes effect September 1, 2013.

(b) The county air quality trust fund is created as a trust fund outside the treasury with the comptroller. The trust fund shall be administered by the department as a trustee for the purpose of holding revenue the department receives from inspection stations under this section until the department disburses the revenue to counties as provided by this section.

(c) The department may not credit to an account or fund in the state treasury revenue the department receives from an inspection station under this section.

(d) The department annually shall remit to a county that imposes a fee under this section revenue the department receives from the inspection stations in the county under this section.

(e) A fee imposed under this section is not a Clean Air Act fee.

(f) The department may deduct for administrative costs an amount of not more than two percent of the fees collected under this section.

SECTION 3. Same as introduced version.

SECTION 4. Same as introduced version.