

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 25, 2013

TO: Honorable Patricia Harless, Chair, House Committee on Environmental Regulation

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3812 by Howard (Relating to authorizing the optional imposition of a county air quality fee at the time of an emissions-related inspection.), **Committee Report 1st House, Substituted**

The provisions of the bill could provide an indeterminate amount of revenue for the state.

The bill would amend the Health and Safety Code to authorize counties that have incidents that approach or exceed eight-hour national ambient air quality standards to impose an air quality fee to be collected at the vehicle emissions inspection. The bill would limit the fee to a level not to exceed the amount assessed within a county for a vehicle emissions inspection. The bill would require participating counties to use the fees for low income vehicle repair assistance, accelerated vehicle retirement or certain local initiatives. Participating counties that adopt this fee are required to notify the Department of Public Safety (DPS) no later than the 60th day before the fee goes into effect.

The bill would also amend the Transportation Code to require DPS to notify all vehicle emissions inspections stations within a participating county of the fee. Inspection station operators would be required to collect the fees at the time of the vehicle inspection, and send the fee collections to DPS.

The bill would establish the county air quality trust fund to hold revenues received from inspection stations until DPS disburses the revenue to counties as specified by the bill. The new fund would be held outside the state treasury and would be administered by DPS. The bill would stipulate the collections may not be credited to an account or fund in the state treasury. The bill would authorize DPS to collect an administrative cost not to exceed two percent of the collected fees.

There could be an indeterminate amount of revenue to the state based on the provision that DPS would receive two percent of the collections of the affected counties. However, since the number of counties that would choose to participate is unknown, and the fee level is permissive, the amount of potential revenue gained is indeterminate.

This bill would create a trust fund outside of the state treasury. Legislative actions, pursuant to Government Code Section 403.094, have consolidated certain special funds into the General Revenue Fund and eliminated certain statutory revenue dedications. Since the 73rd Legislature, 1993, the Legislature has reviewed bills that affect funds consolidation. The trust fund created by this bill would be subject to a funds consolidation review by the current Legislature.

The bill would take effect on September 1, 2013.

Local Government Impact

The bill would impact the revenues of participating counties to an indeterminate degree. The revenues generated would depend upon the number of participating counties and the amount of the fee imposed by each county.

The Department of Public Safety (DPS) estimates that the following counties could potentially be impacted by the bill: Brazoria, Collin, Dallas, Denton, El Paso, Ellis, Fort Bend, Galveston, Harris, Johnson, Kaufman, Montgomery, Parker, Rockwall, Tarrant, Travis and Williamson.

Source Agencies: 304 Comptroller of Public Accounts, 405 Department of Public Safety

LBB Staff: UP, JAW, SZ, AI