

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

March 30, 2015

TO: Honorable Troy Fraser, Chair, Senate Committee on Natural Resources & Economic Development

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB911 by Zaffirini (Relating to the eligibility for grants for natural gas fueling stations under the Texas natural gas vehicle grant program.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 394 of the Health and Safety Code to add additional interstate and state highways forming a southern triangle to the highways under the Clean Transportation Triangle (CTT) Program and the Texas Natural Gas Vehicle Grant Program (TNGVGP) that are eligible for Texas Emissions Reduction Plan (TERP) grant funding by the Texas Commission on Environmental Quality (TCEQ). The bill would add the interstate highways connecting San Antonio to Corpus Christi and Laredo, and also adds state highways connecting Corpus Christi and Laredo. Areas currently located within the triangle between Houston, San Antonio, Dallas, and Fort Worth, excluding those along the interstate highways connecting those areas, which currently are eligible for the CTT and TNGVGP grant programs.

The bill would expand the eligible highways under the CTT and the areas in which vehicles funded under the TNGVGP must travel at least 75 percent of annual mileage. Vehicles funded under the TNGVGP would be able to travel in and between the Corpus Christi, Laredo, and San Antonio areas in addition to existing areas under current law. The bill would also add provisions to require that natural gas fueling stations funded under the CTT Program must be no more than three miles from the designated interstate highways and state highways or located in a nonattainment area or affected county.

The TCEQ would be required to modify grant materials and forms to implement the bill's provisions. Administrative costs to implement these changes are not expected to be significant. The agency reports that it would expect an increase in the number of eligible entities that could apply for CTT and TNGVGP grant funds.

This estimate assumes that no additional funds would be appropriated out of the General Revenue-Dedicated TERP Account No. 5071; the bill would simply modify the entities eligible to apply for funding from the CTT and TNGVGP programs. Because the bill does not increase the maximum statutory allocation for CTT and TNGVGP grant funding of 5 percent each for each program, there would be no reallocation of existing TERP Account No. 5071 funding with respect to the two programs affected by the bill.

Local Government Impact

The bill would expand the areas eligible for CTT funding and for operation of vehicles funded under the TNGVGP. Governmental entities in those additional areas could benefit if they would apply for a grant under the CTT Program and/or the TNGVGP and would be awarded funding. However, the bill also would remove certain entities located within the triangular area between Houston, San Antonio, Dallas, and Fort Worth and not adjacent to the highways connecting those cities. Governmental entities located in those areas would no longer be eligible to apply for grants from the two programs.

Source Agencies: 304 Comptroller of Public Accounts, 582 Commission on Environmental Quality

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