

BILL ANALYSIS

Senate Research Center
86R5052 JRR-D

S.B. 531
By: Birdwell
Natural Resources & Economic Development
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

During the 85th Regular Called Session, S.B. 1731 by Senator Birdwell extended the Texas emissions reduction plan (TERP) until the state reaches attainment and all litigation related to the Clean Air Act has been resolved and concluded. However, the fees and surcharges were not extended in the legislation and four of the five funding sources will expire August 31, 2019. One of the funding sources—the certificate of title fee revenue—is deposited to the Texas Mobility Fund and will not expire, but the mechanism transferring money out of the state highway fund (Fund 6) and into the TERP account in an amount equal to a portion of what was remitted to the Texas Mobility Fund expires August 31, 2019.

The proposed bill would not only extend all of the fees and surcharges set to expire on August 31, 2019, but will also extend the transfer mechanism as well. The proposed bill would extend all of the fees and surcharges set to expire on August 31, 2019. The following is a list and description of the fees and surcharges that the bill would extend:

1. Section 151.0515(b), Tax Code: 1.5 percent surcharge on sale price or lease or rental amount of off-road diesel equipment sold, rented, or leased.
2. Section 152.0215(a), Tax Code: 2.5 percent surcharge on the total consideration on the sale or lease of pre-1997 on-road diesel vehicles over 14,000 pounds, and a 1 percent surcharge for vehicles made after 1997.
3. Section 502.358, Transportation Code: 10 percent surcharge on the total fees due for the registration of truck-tractors and commercial motor vehicles.
4. Section 548.5055, Transportation Code: \$10 fee on commercial motor vehicles required to have an annual safety inspection.

The net effect of the bill would be to retain the status quo of the current funding structure for TERP until all counties reach attainment and litigation related to the Clean Air Act has been resolved and concluded.

As proposed, S.B. 531 amends current law relating to sources of funding for the Texas emissions reduction plan.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 151.0515(d), Tax Code, to provide that this section expires on the last day of the state fiscal biennium during which the Texas Commission on Environmental Quality (TCEQ) publishes in the Texas Register the notice required by Section 382.037 (Notice in Texas Register Regarding National Ambient Air Quality Standard for Ozone), Health and Safety Code, rather than expiring on August 31, 2019.

SECTION 2. Amends Section 152.0215(c), Tax Code, to provide that this section expires on the last day of the state fiscal biennium during which TCEQ publishes in the Texas Register the notice required by Section 382.037, Health and Safety Code, rather than expiring on August 31, 2019.

SECTION 3. Amends Section 501.138(b-3), Transportation Code, to provide that this section and Subsection (b-2) expire on the last day of the state fiscal biennium during which TCEQ publishes in the Texas Register the notice required by Section 382.037, Health and Safety Code, rather than expiring on August 31, 2019.

SECTION 4. Amends Section 502.358(c), Transportation Code, to provide that this section expires on the last day of the state fiscal biennium during which TCEQ publishes in the Texas Register the notice required by Section 382.037, Health and Safety Code, rather than expiring on August 31, 2019.

SECTION 5. Amends the heading to Section 548.5055, Transportation Code, to read as follows:

Sec. 548.5055. TEXAS EMISSIONS REDUCTION PLAN FEE.

SECTION 6. Amends Sections 548.5055(b) and (c), as follows:

(b) Requires the Department of Public Safety of the State of Texas to remit fees collected under this section to the comptroller of public accounts of the State of Texas (comptroller) at the time and in the manner prescribed by the comptroller for deposit in the Texas emissions reduction plan fund, rather than in the Texas emission reduction plan fund.

(c) Provides that this section expires on the last day of the state fiscal biennium during which TCEQ publishes in the Texas Register the notice required by Section 382.037, Health and Safety Code, rather than expiring on August 31, 2019.

SECTION 7. Repealer: Section 8(a-2) (relating to the continuation of funding for certain programs until the last day of the state fiscal biennium), Chapter 755, Acts of the 85th Legislature, Regular Session, 2017.

Repealer: Section 8(b) (relating to any conflict between Section (a-2) and this section), Chapter 755, Acts of the 85th Legislature, Regular Session, 2017.

SECTION 8. Effective date: August 30, 2019.