

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 30, 2019

TO: Honorable Brian Birdwell, Chair, Senate Committee on Natural Resources & Economic Development

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: SB1070 by Watson (Relating to certain programs under the Texas Clean Air Act that reduce vehicle emissions and improve air quality; authorizing a fee.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1070, As Introduced: an impact of \$0 through the biennium ending August 31, 2021; however, there are estimated two-year decreases of \$800,000 to General Revenue-Dedicated Clean Air Account No. 151.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2020	\$0
2021	\$0
2022	\$0
2023	\$0
2024	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from Clean Air Account 151
2020	(\$800,000)
2021	\$0
2022	\$0
2023	\$0
2024	\$0

Fiscal Analysis

The bill would amend the Health and Safety Code to allow the commissioners court of a county to assess an additional fee not to exceed \$6 for a vehicle inspection. The bill would direct counties to retain revenue from this new fee in a separate account to be used only for the purposes described in the bill, including to develop and implement a local vehicle repair and replacement incentive program; develop and implement regional data collection efforts for air quality and multimodal transportation data to improve efficiency of transportation systems; and establish publicly accessible refueling infrastructure for alternatively fueled vehicles.

The bill would direct the Texas Commission on Environmental Quality (TCEQ) and Public Safety Commission to establish, by rule, and authorize the commissioners court of an affected county to implement local initiatives programs subject to agency oversight that may include periodic TCEQ audits. The bill would increase the maximum amounts towards the purchase of a replacement vehicle that could be awarded under a vehicle replacement program.

The bill would abolish the low-income vehicle repair, retrofit, and accelerated retirement program (LIRAP).

The bill would take effect September 1, 2019.

Methodology

Based on information provided by TCEQ and the Comptroller of Public Accounts, this analysis assumes there would be no revenue impact to the state associated with counties electing to participate in the local initiatives program and retaining the additional fee authorized by the bill.

Based on information provided by TCEQ, this analysis assumes there would be no fiscal impact associated with abolishing LIRAP because no counties are currently participating in the program.

Based on the analysis of TCEQ, it is assumed that TCEQ would be required to modify vehicle emissions analyzer software to align the safety inspection sequence to the items of inspection as provided in the bill for an estimated one-time cost of \$800,000 in fiscal year 2020. This estimate also assumes duties and responsibilities associated with implementing the provisions of the bill could be absorbed using existing resources.

Technology

This estimate assumes TCEQ would be required to modify vehicle emissions analyzer software to align the safety inspection sequence to the items of inspection as provided in the bill for an estimated one-time cost of \$800,000 in fiscal year 2020.

Local Government Impact

The local government impact cannot be determined because the number of counties that would elect to participate in a local initiatives program established by the bill and the amount of fee revenue that would be collected by those counties is unknown.

Source Agencies: 304 Comptroller of Public Accounts, 405 Department of Public Safety, 582 Commission on Environmental Quality, 601 Department of Transportation, 608 Department of Motor Vehicles

LBB Staff: WP, SZ, MW, GDz, TG, LCO