

## **BILL ANALYSIS**

C.S.H.B. 3745  
By: Bell, Cecil  
Environmental Regulation  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Concerns have been raised that the money in the Texas emissions reduction plan fund is not being used entirely for its intended purpose of reducing emissions in Texas. C.S.H.B. 3745 seeks to address those concerns and ensure that the Texas emissions reduction plan and the activities authorized under that plan receive proper funding by establishing a new plan fund as a trust fund outside the state treasury to be held by the comptroller of public accounts and by converting the existing plan fund to the Texas emissions reduction plan account, to be used for the benefit of the new plan fund.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **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. 3745 amends the Health and Safety Code to convert the Texas emissions reduction plan fund to the Texas emissions reduction plan account as an account in the state treasury administered by the Texas Commission on Environmental Quality (TCEQ) for the benefit of the Texas emissions reduction plan. The new Texas emissions reduction plan fund is established as a trust fund outside the state treasury to be held by the comptroller of public accounts and administered by TCEQ as trustee. The bill sets out the composition of the new fund, which is the same as the old fund, and requires interest and other earnings on the balance of the fund to be credited to the fund. The bill authorizes money in the fund to be spent without legislative appropriation but used only for purposes authorized as part of the Texas emissions reduction plan. The bill requires TCEQ, not later than the 30th day after the last day of each state fiscal biennium, to transfer the unencumbered balance of the fund remaining on the last day of the state fiscal biennium to the credit of the new Texas emissions reduction plan account. The conversion of the Texas emissions reduction plan fund to an account does not affect the balance of the Texas emissions reduction plan account remaining on September 1, 2019.

C.S.H.B. 3745, effective August 30, 2019, repeals Sections 8(a-2) and (b), Chapter 755 (S.B. 1731), Acts of the 85th Legislature, Regular Session, 2017, and amends the Tax Code and Transportation Code to make nonsubstantive changes regarding the expiration date of certain funding sources.

## **EFFECTIVE DATE**

Except as otherwise provided, September 1, 2019.

## **COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 3745 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute specifies that the Texas emissions reduction plan fund is a trust fund outside the state treasury.

The substitute repeals Sections 8(a-2) and (b), Chapter 755 (S.B. 1731), Acts of the 85th Legislature, Regular Session, 2017, and includes a codification of provisions that provide for the expiration of funding sources of the Texas emissions reduction plan fund on the last day of the state fiscal biennium during which TCEQ publishes certain notice in the Texas Register regarding national ambient air quality standards for ozone. The substitute makes these provisions effective August 30, 2019.

The substitute revises the bill's effective date provision to reflect the bill's multiple effective dates.