

## **BILL ANALYSIS**

Senate Research Center  
85R3310 SLB-F

S.B. 2003  
By: Watson  
Natural Resources & Economic Development  
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As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The low-income vehicle repair assistance, retrofit, and accelerated retirement program (LIRAP) and local initiative projects program (LIP) are air quality improvement programs overseen by the Texas Commission on Environmental Quality (TCEQ). LIRAP and LIP are self-funded by participating counties through a surcharge added to each vehicle emissions inspection. LIRAP assists owners of high-emitting automobiles to reduce their air emissions by offering financial incentives to repair or replace them. LIP assists with air quality improvement strategies developed locally, such as a counterfeit motor vehicle inspection program to combat counterfeit, fictitious, and improper State inspection certificates for polluting vehicles in the region. The incentive amounts under LIRAP and the program qualifications under LIP have not been changed in several years, and do not meet the needs of the participating counties seeking to reduce air emissions.

S.B. 2003 remedies this by updating the incentive limits to provide real, practical assistance to low-income consumers seeking to repair or replace their cars. It also removes the cap and local match on LIP funds so that local areas can develop more effective programs to reduce air emissions. It allows grant funds to be used over multiple years to maximize their effectiveness.

As proposed, S.B. 2003 amends current law relating to the low-income vehicle repair assistance, retrofit, and accelerated vehicle retirement program and local initiative air quality projects.

### **RULEMAKING AUTHORITY**

Rulemaking authority previously granted to the Texas Commission on Environmental Quality is modified in SECTION 2 (Section 382.210, Health and Safety Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 382.209(e), Health and Safety Code, to provide that a vehicle is not eligible to participate in a low-income vehicle repair assistance, retrofit, and accelerated vehicle retirement program established under this section unless certain criteria are met, including that the registration of the vehicle reflects that the vehicle is registered in a county implementing the program, rather than reflects that the vehicle has been registered in the county implementing the program for at least 12 of the 15 months preceding the application for participation in the program.

SECTION 2. Amends Sections 382.210 (a) and (b), Health and Safety Code, as follows:

(a) Requires that the guidelines at a minimum recommend a minimum and maximum amount toward the purchase price of a certain vehicle, with the maximum amount not to exceed:

(A) \$3,500 for a replacement car of the current model year or the previous four model years, rather than \$3,000 for a replacement car of the current model year or the previous three model years, except as provided by Paragraph (C);

(B) \$3,500 for a replacement truck of the current model year or the previous three model years, rather than \$3,000 for a replacement truck of the current model year or the previous two model years, except as provided by Paragraph (C); and

(C) \$4,000 for a replacement vehicle of the current model year or the previous four model years, rather than \$3,500 for a replacement vehicle of the current model year or the previous three model years, that meets certain criteria.

(b) Requires that a replacement vehicle described by Subsection (a)(2) meet certain requirements, including to have an odometer reading of not more than 85,000 miles, rather than not more than 70,000 miles.

SECTION 3. Amends Section 382.220, Health and Safety Code, by amending Subsections (b), (c), and (d) and adding Subsection (e), as follows:

(b) Requires that a program under this section be implemented in consultation with the Texas Commission on Environmental Quality (TCEQ) and authorizes the program to include a program to improve air quality as authorized by Subsection (e).

(c) Creates an exception under Subsection (e).

(d) Authorizes money that is made available to counties under Sections 382.202 (Vehicle Emissions Inspection and Maintenance Program) and 382.302 (Inspection and Maintenance Program) to be used for projects described by Subsection (b) and requires that it be made available only to counties participating in the low-income vehicle repair assistance, retrofit, and accelerated vehicle retirement programs created under Section 382.209 (Low-Income Vehicle Repair Assistance, Retrofit, and Accelerated Vehicle Retirement Program). Deletes existing text authorizing fees collected under Section 382.202 and 382.302 to be used in a certain amount for projects described by Subsection (b), of which \$2 million may be used only for projects described by Subsection (b)(4). Deletes existing text authorizing the remaining \$5 million to be used for any project described by Subsection (b). Deletes existing text requiring the fees to be made available only to counties participating in programs created under Section 382.209 and only on a matching basis, whereby TCEQ provides money to a county in the same amount that the county dedicates to a project authorized by Subsection (b). Deletes existing text authorizing TCEQ to reduce the match requirement for a county that proposes to develop and implement independent test facility fraud detection programs, including the use of remote sensing technology for coordinating with law enforcement officials to detect, prevent, and prosecute the use of counterfeit registration insignia and vehicle inspection reports.

(e) Authorizes a participating county to use money that has been allocated by TCEQ to the county for a program under Subsection (b) and that has not been spent by the last day of the fiscal year in which the money was allocated for the replacement and retirement of local government fleet vehicles. Requires that money available for use under this subsection be spent not later than the second anniversary of the last day of the fiscal year in which TCEQ allocated the funds.

SECTION 4. Effective date: upon passage or September 1, 2017.