

Revised

Consolidated Fiscal Note

2021-2022 Legislative Session

HF646 - 0 - Bus Deployment Based on Air Quality

Chief Author: **Fue Lee**
 Committee: **Transportation Finance and Policy**
 Date Completed: **2/24/2021 10:20:59 PM**
 Lead Agency: **Metropolitan Council**
 Other Agencies:
 Pollution Control Agency

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025
Pollution Control Agency						
Environmental	-	32	32	32	32	32
State Total						
Environmental	-	32	32	32	32	32
Total	-	32	32	32	32	32
Biennial Total			64			64

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
Pollution Control Agency					
Environmental	-	.25	.25	.25	.25
Total	-	.25	.25	.25	.25

Lead LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2021	FY2022	FY2023	FY2024	FY2025
Pollution Control Agency						
Environmental	-	32	32	32	32	32
Total	-	32	32	32	32	32
	Biennial Total		64			64
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Pollution Control Agency						
Environmental	-	32	32	32	32	32
Total	-	32	32	32	32	32
	Biennial Total		64			64
2 - Revenues, Transfers In*						
Pollution Control Agency						
Environmental	-	-	-	-	-	-
Total	-	-	-	-	-	-
	Biennial Total		-			-

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Expenditures		X
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Tax Revenue		X
Information Technology		X
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State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
		FY2021	FY2022	FY2023	FY2024	FY2025
Total	-	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

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LBO Signature: Krista Carsner **Date:** 2/24/2021 8:17:32 PM
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State Cost (Savings) Calculation Details

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State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025	
Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

The proposed bill states:

- a. The Council must coordinate with the Commissioner of the Pollution Control Agency to identify locales in the metropolitan area with poor air quality. The analysis may use modeling based on air quality monitoring data and must use the highest level of detail available. The Council must categorize each bus in its fleet based on estimated or measured air quality impacts from vehicle emissions.
- b. For regular route service, excluding arterial or highway bus rapid transit, the Council must deploy buses with the lowest emissions on routes that serve locales with poor air quality.
- c. Analysis under this subdivision must be revised at least once every three years.
- d. This is effective the day following final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington.

Assumptions

The assumption is the Council will coordinate and work with the Pollution Control Agency (PCA) to identify the locales with poor air quality. Any additional air quality analysis required for this bill and associated costs is discussed in the PCA's fiscal note.

The assumption is the Council will meet the requirements of HF646 as amended using the existing fleet of the Metropolitan Council to the best extent possible. If that assumption meets the requirements of HF 646, then no additional and/or new buses would need to be purchased. If this does not meet the intent or requirements of HF 646, additional analysis would need to be completed based on requirement bus replacement costs.

The assumption is the Council will categorize its fleet on estimated or measured air quality impacts from vehicle emissions based on the Bus Manufacturer Engine Certification Emissions Levels.

The assumption is the Council will obtain the locales of poor air quality from the PCA. Once these areas are known, the Council will need to analyze and determine which buses can meet the needs of the service based on type of service, ridership and operating range. The Council will categorize its lowest emission buses to determine which buses can effectively and efficiently operate on that service and meet the requirements of HF 646. The Council will categorize its buses based on areas that only serve locales in the metropolitan area with poor air quality. The Council will need to obtain the locales of poor air quality from the PCA before analysis can be performed to deploy buses with the lower emissions on routes that serve locales with poor air quality.

The assumption is no additional appropriation is necessary as the Council will use its current fleet of vehicles, is able to categorize its fleet on estimated or measured air quality impacts from vehicle emissions based on the Bus Manufacturer Engine Certification Emission Levels, and will use the locales in the metropolitan area with poor air quality from analysis

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performed by the Pollution Control Agency

Expenditure and/or Revenue Formula

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

Ed Petrie, Finance Director Metro Transit

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 Agency: **Pollution Control Agency**

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Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

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LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Jim Carlson **Date:** 2/24/2021 4:52:12 PM
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State Cost (Savings) Calculation Details

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Environmental	-	32	32	32	32	32
Total	-	32	32	32	32	32
Biennial Total			64			64
2 - Revenues, Transfers In*						
Environmental	-	-	-	-	-	-
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

A bill for an act relating to bus upgrades prioritized to areas with poor air quality. The bill would require the Metropolitan Council to coordinate with the Minnesota Pollution Control Agency (MPCA) to identify areas within the Twin Cities metropolitan area with poor air quality. Then the Metropolitan Council must use buses with the lowest air emissions on routes that serve the areas identified with poor air quality. The bill allows the MPCA to use monitoring or modeling data to identify areas of poor air quality, and that the results should provide the highest level of detail available.

Assumptions

The MPCA will use its modeling platform, called MNRiskS, to predict air quality conditions, at the census block group level, based upon emissions estimates for all known sources of air pollution. To provide additional air quality estimates, a combination of air monitoring data and modeling results from other modeling platforms would be generated. The data from these models would be combined with information from MPCA's Environmental Justice mapping tool and bus route maps from the Metropolitan Council to provide candidate areas for the lowest emissions buses. The MPCA's modeling and analytical tools may also be used to make future predictions of the potential change in air quality in the candidate areas from operating the lowest emissions buses.

The 0.25 FTE cost assumption for the MPCA covers the work needed to scope the information needs and timelines with Metropolitan Council, to ensure the analysis meets their needs on their timeline. The cost assumption also includes the effort needed to mine data from existing modeling platforms, obtain additional information needed to modify the inputs for the models in use, combine and analyze the results to provide actionable information for use by the Metropolitan Council, and conduct additional new modeling or monitoring analysis as needed to meet the information needs of the Metropolitan Council. The MPCA will also use a portion of this 0.25 FTE to engage the MPCA's Environmental Justice Advisory Group and interested communities to seek input on how the analysis should be conducted and explain the data sources currently available for the analysis.

Expenditure and/or Revenue Formula

Approximately 0.25 FTE over the next three state fiscal years would be needed to conduct the necessary analysis at the highest level of detail called for in the bill. $0.25 \text{ FTE} \times \$128,000/\text{year} = \$32,000/\text{year}$

*The annual cost of 1.0 FTE is \$128,000 in FY2021-2025. Annual costs for 1.0 FTE include salary, fringe, and non-

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specialized employee support costs (work space, computer and office supplies, office equipment, local travel, etc.)

Long-Term Fiscal Considerations

Expenses are ongoing

Local Fiscal Impact

No local government costs are anticipated from this bill, the MPCA maintains the expertise and access to the analytical tools necessary to identify the areas of poor air quality.

References/Sources

MPCA agency staff

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