

LIRAP OPT-OUT PROCESS & EFFECTS ON FUNDING

Opt-Out Process

1. The County Commissioners Court of a participating county sends a written request to the TCEQ Executive Director to initiate the LIRAP opt out process.
2. This written request must include:
 - a. A request for release from the LIRAP fee and for release from the LIRAP (Drive a Clean Machine (DACM) program) grant contract; and
 - b. A selection for its LIRAP opt-out effective date:
 - i. The LIRAP fee termination date (the first day of the month for the month that the DMV issues registration notices without the LIRAP fee), **or**
 - ii. The last day of the legislative biennium in which the LIRAP fee termination date occurs.
3. The TCEQ notifies the TxDMV, the Texas Department of Public Safety (DPS), and the Legislative Budget Board of Texas that the LIRAP fee should no longer be collected in the participating county after the LIRAP fee termination date.
4. The LIRAP/DACM grant contract is ended concurrent with the LIRAP opt-out effective date and the county becomes a non-participating county.
5. The unspent balance of the allocated LIRAP funds provided to the county through the LIRAP/DACM grant contract must be returned to the TCEQ within 90 days of the county's LIRAP opt-out effective date.*

*Unless the county is in an inter-local agreement with other participating counties to share allocated LIRAP/DACM funds. The unspent portion of the county's shared allocated LIRAP/DACM funds would then be redistributed among the remaining participating counties in the inter-local agreement.

Effects

- The county remains a participating county until the LIRAP opt-out effective date and all LIRAP/DACM funding provided to the county through the LIRAP/DACM grant contract remains available for use subject to the terms of the contract.
- Only LIRAP participating counties are eligible to participate in the Local Initiative Projects (LIP) program. Therefore, any participating county that chooses to opt-out of the LIRAP will no longer be eligible to participate in the LIP program after the LIRAP opt-out effective date.
 - LIP funds allocated to the participating county through the LIP grant contract but not provided to the county for an approved LIP project would remain available for new projects until the LIRAP opt-out effective date.
 - LIP funding provided to the county for an approved LIP project before the LIRAP opt-out effective date would be subject to the terms of the LIP grant contract, i.e., FY 2016 funds unspent by August 31, 2018 and FY2017 funds unspent by June 28, 2019 must be returned to the TCEQ.