

By: Guerra

H.B. No. 3576

A BILL TO BE ENTITLED

AN ACT

relating to the authority of the Railroad Commission of Texas to invest in private entities that explore for, develop, and produce geothermal energy and associated resources.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 141, Natural Resources Code, is amended by adding Subchapter E to read as follows:

SUBCHAPTER E. GEOTHERMAL PUBLIC-PRIVATE PARTNERSHIPS

Sec. 141.151. DUTY OF THE RAILROAD COMMISSION. The commission shall establish a program to enter into partnerships with producers of geothermal energy and associated resources in this state to:

(1) encourage the production of geothermal energy and associated resources in this state; and

(2) earn a return on investment for the state.

Sec. 141.152. PROGRAM CRITERIA AND OPERATION. (a) The commission may enter into a partnership under this subchapter only with a producer of geothermal energy and associated resources that:

(1) has at least \$10 million in capital investment; and

(2) has its headquarters in this state.

(b) When the commission enters into a partnership with a producer under this subchapter, the commission may make a capital investment in the producer. The amount of the investment may not

1 exceed the aggregate amount of the private capital investments made
2 in the producer.

3 (c) The commission may make capital investments in
4 producers under this subchapter only in a manner that allows the
5 state to make a return on its investment.

6 Sec. 141.153. GEOTHERMAL INVESTMENT FUND. (a) The
7 geothermal investment fund is a dedicated account in the general
8 revenue fund.

9 (b) The geothermal investment fund consists of:

10 (1) appropriations of money to the fund by the
11 legislature;

12 (2) gifts, grants, including grants from the federal
13 government, and other donations received for the fund; and

14 (3) interest earned on the investment of money in the
15 fund.

16 (c) The fund may be used only for:

17 (1) capital investments under Section 141.152; and

18 (2) administrative costs of administering the
19 partnership program under this subchapter.

20 SECTION 2. This Act takes effect September 1, 2021.