

By: Toth

H.B. No. 4370

A BILL TO BE ENTITLED

AN ACT

relating to the abolishment of the State Energy Conservation Office and the transfer of its functions to the comptroller.

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

SECTION 1. Section 44.902(d), Education Code, is amended to read as follows:

(d) The board of trustees may submit the plan required under Subsection (a) to the comptroller [~~State Energy Conservation Office~~] for the purposes of determining whether funds available through loan programs administered by the comptroller [~~office~~] or tax incentives administered by the state or federal government are available to the district. The board may not disallow any proper allocation of incentives.

SECTION 2. Section 51.927(i), Education Code, is amended to read as follows:

(i) An energy savings performance contract shall be let according to the procedures established for procuring certain professional services by Section 2254.004, Government Code. Notice of the request for qualifications shall be given in the manner provided by Section 2156.002, Government Code. The Texas Higher Education Coordinating Board, in consultation with the comptroller [~~State Energy Conservation Office with regard to energy and water conservation measures~~], shall establish guidelines and an approval process for awarding energy savings performance

1 contracts. The guidelines must require that the cost savings  
2 projected by an offeror be reviewed by a licensed professional  
3 engineer who has a minimum of three years of experience in energy  
4 calculation and review, is not an officer or employee of an offeror  
5 for the contract under review, and is not otherwise associated with  
6 the contract. In conducting the review, the engineer shall focus  
7 primarily on the proposed improvements from an engineering  
8 perspective, the methodology and calculations related to cost  
9 savings, increases in revenue, and, if applicable, efficiency or  
10 accuracy of metering equipment. An engineer who reviews a contract  
11 shall maintain the confidentiality of any proprietary information  
12 the engineer acquires while reviewing the contract. ~~[A contract is  
13 not required to be reviewed or approved by the State Energy  
14 Conservation Office.]~~ Sections [1001.053](#) and [1001.407](#), Occupations  
15 Code, apply to work performed under the contract.

16 SECTION 3. Section [55.115](#)(b), Education Code, is amended to  
17 read as follows:

18 (b) A building, structure, or other facility to which this  
19 section applies must be designed and constructed or renovated so  
20 that the building, structure, or other facility complies with  
21 high-performance building standards, approved by the board of  
22 regents of the institution, that provide minimum requirements for  
23 energy use, natural resources use, and indoor air quality. ~~[In  
24 approving high-performance building standards, a board of regents  
25 shall consider, but is not subject to, the high-performance  
26 building evaluation system approved by the state energy  
27 conservation office under Section [447.004](#), Government Code, and may~~

1 ~~solicit and consider recommendations from the advisory committee~~  
2 ~~appointed under that section.]~~

3 SECTION 4. Section 109.203(a), Education Code, as added by  
4 Chapter 941 (S.B. 601), Acts of the 87th Legislature, Regular  
5 Session, 2021, is amended to read as follows:

6 (a) The agency advisory council is composed of  
7 representatives of the:

- 8 (1) Department of Agriculture;
- 9 (2) General Land Office;
- 10 (3) Parks and Wildlife Department;
- 11 (4) Railroad Commission of Texas;
- 12 (5) ~~[State Energy Conservation Office,]~~
- 13 ~~[(6)]~~ Texas Commission on Environmental Quality;
- 14 (6) ~~[(7)]~~ Texas Economic Development and Tourism  
15 Office within the office of the governor; and
- 16 (7) ~~[(8)]~~ Texas Water Development Board.

17 SECTION 5. Section 403.404, Government Code, is amended to  
18 read as follows:

19 Sec. 403.404. ESTABLISHMENT OF GREEN JOB SKILLS GRANT  
20 PROGRAM. The comptroller shall establish a green job skills grant  
21 program, funded by the development fund under Section 403.403,  
22 through which the comptroller may award grants in cooperation with  
23 the Texas Workforce Commission ~~[through the State Energy~~  
24 ~~Conservation Office]~~ for the implementation, expansion, and  
25 operation of green job skills training programs.

26 SECTION 6. Sections 2166.402(a) and (b), Government Code,  
27 are amended to read as follows:

1 (a) The governing body of a state agency, commission, or  
2 institution that is exempt from this chapter under Section 2166.003  
3 shall adopt and publish energy or water conservation design  
4 standards [~~as provided by Section 447.004~~] for a new building under  
5 the entity's authority. The standards must be:

6 (1) consistent with those adopted by the commission  
7 for other state buildings; and

8 (2) prepared in cooperation and consultation with the  
9 comptroller [~~state energy conservation office~~].

10 (b) The comptroller [~~state energy conservation office~~]  
11 shall assist the governing body of a state agency, commission, or  
12 institution subject to Subsection (a) in preparing energy  
13 conservation standards by providing technical assistance and  
14 advice.

15 SECTION 7. Section 2166.403(b-2), Government Code, is  
16 amended to read as follows:

17 (b-2) In each detailed written evaluation under Subsection  
18 (b), the commission or governing body shall determine economic  
19 feasibility for each function by comparing the estimated cost of  
20 providing energy for all or part of the function using conventional  
21 design practices and energy systems or operating under conventional  
22 architectural or engineering designs with the estimated cost of  
23 providing energy for all or part of the function using alternative  
24 energy devices or operating under alternative energy-efficient  
25 architectural or engineering designs during the economic life of  
26 the building. The comptroller [~~comptroller's state energy  
27 conservation office, or its successor,~~] must approve any

1 methodology or electronic software used by the commission or  
2 governing body, or an entity contracting with the commission or  
3 governing body, to make a comparison or determine feasibility under  
4 this subsection.

5 SECTION 8. Sections 2166.406(i) and (l), Government Code,  
6 are amended to read as follows:

7 (i) An energy savings performance contract shall be let  
8 according to the procedures established for procuring certain  
9 professional services by Section 2254.004. Notice of the request  
10 for qualifications shall be given in the manner provided by Section  
11 2156.002. The comptroller [~~State Energy Conservation Office~~]  
12 shall establish guidelines and an approval process for awarding  
13 energy savings performance contracts. The guidelines adopted  
14 under this subsection must require that the cost savings projected  
15 by an offeror be reviewed by a licensed professional engineer who  
16 has a minimum of three years of experience in energy calculation and  
17 review, is not an officer or employee of an offeror for the contract  
18 under review, and is not otherwise associated with the  
19 contract. In conducting the review, the engineer shall focus  
20 primarily on the proposed improvements from an engineering  
21 perspective, the methodology and calculations related to cost  
22 savings, increases in revenue, and, if applicable, efficiency or  
23 accuracy of metering equipment. An engineer who reviews a contract  
24 shall maintain the confidentiality of any proprietary information  
25 the engineer acquires while reviewing the contract. An energy  
26 savings performance contract may not be entered into unless the  
27 contract has been approved by the comptroller [~~State Energy~~

1 ~~Conservation Office~~]. Sections 1001.053 and 1001.407, Occupations  
2 Code, apply to work performed under the contract.

3 (1) The guidelines adopted under Subsection (i) must  
4 require the comptroller [~~State Energy Conservation Office~~] to:

5 (1) review any reports submitted to the comptroller  
6 [~~office~~] that measure and verify cost savings to a state agency  
7 under an energy savings performance contract; and

8 (2) based on the reports, provide an analysis, on a  
9 periodic basis, of the cost savings under the energy savings  
10 performance contract to the state agency and the Legislative Budget  
11 Board until the state agency determines that the analysis is no  
12 longer required to accurately measure cost savings.

13 SECTION 9. The heading to Section 2305.011, Government  
14 Code, is amended to read as follows:

15 Sec. 2305.011. ADMINISTRATION BY COMPTROLLER'S OFFICE [~~AND~~  
16 ~~ENERGY OFFICE~~].

17 SECTION 10. Sections 2305.011(a), (b), (c), and (d),  
18 Government Code, are amended to read as follows:

19 (a) The comptroller [~~energy office~~] shall oversee and  
20 monitor the administration of programs prescribed by this chapter.

21 (b) The governor and the comptroller [~~energy office~~] may  
22 establish direct grant programs and competitive grant programs in  
23 addition to the programs provided by this chapter.

24 (c) The comptroller [~~energy office~~] shall establish  
25 programs and criteria and evaluate a proposal in accordance with  
26 applicable federal guidelines.

27 (d) The comptroller [~~energy office~~] shall send to the

1 appropriate federal entity all information required under  
2 applicable federal guidelines.

3 SECTION 11. Section 2305.012, Government Code, is amended  
4 to read as follows:

5 Sec. 2305.012. ADMINISTRATION; ASSISTANCE. (a) The  
6 comptroller [~~energy office~~] shall implement and administer this  
7 chapter.

8 (b) The comptroller [~~energy office~~] or the governor  
9 [~~through the energy office~~] may enlist the assistance of a private  
10 entity or a state agency, department, commission, or other entity  
11 to:

- 12 (1) evaluate or review a proposal;
- 13 (2) audit a program participant or a supervising state  
14 agency;
- 15 (3) perform administrative duties under this chapter;
- 16 or
- 17 (4) develop eligibility or evaluation criteria.

18 SECTION 12. The heading to Section 2305.023, Government  
19 Code, is amended to read as follows:

20 Sec. 2305.023. ACCOUNT RECORDS; COMPTROLLER [~~ENERGY~~  
21 ~~OFFICE~~] REPORT.

22 SECTION 13. Section 2305.023(b), Government Code, is  
23 amended to read as follows:

24 (b) Not later than January 15 of each odd-numbered year, the  
25 comptroller [~~energy office~~] shall submit to the governor and the  
26 legislature a biennial report that shows the expenditures from the  
27 account during the previous biennium and the amount remaining in

1 the account on the date of the report.

2 SECTION 14. Section 2305.031, Government Code, is amended  
3 to read as follows:

4 Sec. 2305.031. OIL OVERCHARGE PROGRAMS. The comptroller  
5 [~~energy office~~] shall maintain a revolving loan program for the  
6 benefit of state agencies, universities, and political  
7 subdivisions. The comptroller [~~energy office~~] shall use oil  
8 overcharge funds for the programs and purposes in this subchapter.

9 SECTION 15. Sections 2305.032(a), (b), and (f), Government  
10 Code, are amended to read as follows:

11 (a) The comptroller [~~energy office~~] under the loanstar  
12 revolving loan program may provide loans to finance energy and  
13 water efficiency measures for public facilities.

14 (b) The comptroller [~~energy office~~] shall determine the  
15 terms under which a loan may be made under this section and shall  
16 set the interest rate for a loan at a low rate that the comptroller  
17 [~~energy office~~] determines is sufficient to recover the cost of  
18 administering the loan program.

19 (f) The comptroller [~~energy office~~] shall allocate at least  
20 \$95 million, including loan commitments and cash on hand, to the  
21 loanstar program and shall administer the funds under its control  
22 in a manner that assures that funds available to the loanstar  
23 program equal or exceed \$95 million at all times.

24 SECTION 16. Sections 2305.033(a) and (b), Government Code,  
25 are amended to read as follows:

26 (a) The comptroller [~~energy office~~] is the supervising  
27 state agency for the state energy program.



1 (b) In accordance with Part D, Title III, Energy Policy and  
2 Conservation Act (42 U.S.C. Section [~~Sec.~~] 6321 et seq.), and its  
3 subsequent amendments, the comptroller [~~energy office~~], under the  
4 program, shall distribute funds for projects that save measurable  
5 quantities of energy.

6 SECTION 17. Sections 2305.035(a) and (b), Government Code,  
7 are amended to read as follows:

8 (a) The comptroller [~~energy office~~] is the supervising  
9 state agency for the alternative fuels program.

10 (b) The comptroller [~~energy office~~] shall provide funds  
11 under the program to promote, facilitate, and support the use of  
12 alternative fuels in this state.

13 SECTION 18. Sections 2305.036(a), (b), and (f), Government  
14 Code, are amended to read as follows:

15 (a) The comptroller [~~energy office~~] is the supervising  
16 state agency for the housing partnership program.

17 (b) The comptroller [~~energy office~~] shall promote the  
18 efficient use of energy in Texas residential housing through  
19 grants, partnerships, and loans.

20 (f) The comptroller [~~energy office~~] may require grant  
21 recipients to match a grant in a ratio determined by the comptroller  
22 [~~energy office~~].

23 SECTION 19. Section 2305.037, Government Code, is amended  
24 to read as follows:

25 Sec. 2305.037. INNOVATIVE ENERGY DEMONSTRATION  
26 PROGRAM. (a) The comptroller [~~energy office~~] is the supervising  
27 state agency of the innovative energy demonstration program and

1 shall distribute grant money under the program for demonstration  
2 projects that develop sustainable and innovative energy resources,  
3 including:

4 (1) a clean coal project, as defined by Section 5.001,  
5 Water Code;

6 (2) a gasification project for a coal and biomass  
7 mixture;

8 (3) photovoltaic, biomass, wind, and solar  
9 applications; and

10 (4) other appropriate low-emission, renewable, and  
11 sustainable energy applications.

12 (b) Contingent on the selection of a Texas site for the  
13 location of the coal-based integrated sequestration and hydrogen  
14 project to be built in partnership with the United States  
15 Department of Energy, commonly referred to as the FutureGen  
16 project, and to the extent that funds are appropriated for this  
17 purpose, the comptroller [~~energy office~~] shall distribute to the  
18 managing entity of the FutureGen project an amount equal to 50  
19 percent of the total amount invested in the project by private  
20 industry sources. The managing entity of the FutureGen project  
21 shall provide records as considered necessary by the comptroller  
22 [~~energy office~~] to justify grants under this  
23 subsection. Cumulative distributions under this subsection may  
24 not exceed \$20 million.

25 (c) The comptroller [~~energy office~~] may require a grant  
26 recipient under the program to match a grant in a ratio determined  
27 by the comptroller [~~energy office~~].

1 SECTION 20. Section 2305.038(a), Government Code, is  
2 amended to read as follows:

3 (a) The comptroller [~~energy office~~] is the supervisory  
4 agency for the local government energy program to provide energy  
5 management assistance to public schools, health care institutions,  
6 and other local governments.

7 SECTION 21. Sections 2305.039(a) and (c), Government Code,  
8 are amended to read as follows:

9 (a) The comptroller [~~energy office~~] is the supervising  
10 state agency of the transportation energy program and shall  
11 distribute funds under the program for projects relating to mass  
12 transit and other transportation services.

13 (c) The comptroller [~~energy office~~] may require a grant  
14 recipient to match a grant in a ratio determined by the comptroller  
15 [~~energy office~~].

16 SECTION 22. Sections 2305.075(a) and (b), Government Code,  
17 are amended to read as follows:

18 (a) The comptroller [~~energy office~~] is the supervising  
19 state agency for the small hospitals energy management program.

20 (b) The comptroller [~~energy office~~] shall use competitive  
21 grant money under the program to finance projects designed to  
22 assist small hospitals in controlling energy costs.

23 SECTION 23. Section 2306.6725(b), Government Code, is  
24 amended to read as follows:

25 (b) The department shall provide appropriate incentives as  
26 determined through the qualified allocation plan to reward  
27 applicants who agree to:

1           (1) equip the development that is the basis of the  
2 application with energy saving devices that meet applicable ~~[the]~~  
3 standards ~~[established by the state energy conservation office]~~ or  
4 provide to a qualified entity, in a land use restriction agreement  
5 in accordance with Section 2306.6726, a right of first refusal to  
6 purchase the development at the minimum price provided in, and in  
7 accordance with the requirements of, Section 42(i)(7), Internal  
8 Revenue Code of 1986 (26 U.S.C. Section 42(i)(7)); and

9           (2) locate the development in a census tract in which  
10 there are no other existing developments supported by housing tax  
11 credits.

12           SECTION 24. Section 2306.252(b), Government Code, is  
13 amended to read as follows:

14           (b) The department, through the center, shall:

15           (1) provide educational material prepared in plain  
16 language to housing advocates, housing sponsors, borrowers, and  
17 tenants;

18           (2) provide technical assistance to nonprofit housing  
19 sponsors;

20           (3) assist in the development of housing policy,  
21 including the annual state low income housing plan and report and  
22 the consolidated plan; and

23           (4) provide, in cooperation with the ~~[state energy~~  
24 ~~conservation office, the]~~ Texas Commission on Environmental  
25 Quality~~[7]~~ and other governmental entities, information on the use  
26 of sustainable and energy efficient housing construction products  
27 and assist local governments and nonprofits in identifying

1 information on sustainable and energy efficient housing  
2 construction and energy efficient resources and techniques.

3 SECTION 25. Section 2311.002(b), Government Code, is  
4 amended to read as follows:

5 (b) The comptroller [~~State Energy Conservation Office~~]  
6 shall establish guidelines for the evaluation under Subsection (a).

7 SECTION 26. Sections 388.003(a), (b), (b-2), (b-3), and  
8 (c), Health and Safety Code, are amended to read as follows:

9 (a) To achieve energy conservation in single-family  
10 residential construction, the energy efficiency chapter of the  
11 International Residential Code, as it existed on May 1, 2001, is  
12 adopted as the energy code in this state for single-family  
13 residential construction. On September 1, 2016, the energy  
14 efficiency chapter of the International Residential Code, as it  
15 existed on May 1, 2015, is adopted as the energy code in this state  
16 for single-family residential construction. On or after September  
17 1, 2021, the comptroller [~~State Energy Conservation Office~~] may  
18 adopt and substitute for that energy code the latest published  
19 edition of the energy efficiency chapter of the International  
20 Residential Code, based on written findings on the stringency of  
21 the chapter submitted by the laboratory under Subsection  
22 (b-3). The comptroller [~~office~~]:

23 (1) may not adopt an edition under this subsection  
24 more often than once every six years; and

25 (2) by rule shall establish an effective date for an  
26 adopted edition that is not earlier than nine months after the date  
27 of adoption.

1 (b) To achieve energy conservation in all other  
2 residential, commercial, and industrial construction, the  
3 International Energy Conservation Code as it existed on May 1,  
4 2001, is adopted as the energy code for use in this state for all  
5 other residential, commercial, and industrial construction. The  
6 comptroller [~~State Energy Conservation Office~~] may adopt and  
7 substitute for that energy code the latest published edition of the  
8 International Energy Conservation Code, based on written findings  
9 on the stringency of the edition submitted by the laboratory under  
10 Subsection (b-3). The comptroller [~~office~~] by rule shall  
11 establish an effective date for an adopted edition that is not  
12 earlier than nine months after the date of adoption.

13 (b-2) The comptroller [~~State Energy Conservation Office~~] by  
14 rule shall establish a procedure for persons who have an interest in  
15 the adoption of energy codes under Subsection (a) or (b) to have an  
16 opportunity to comment on the codes under consideration. The  
17 comptroller [~~office~~] shall consider persons who have an interest in  
18 adoption of those codes to include:

19 (1) commercial and residential builders, architects,  
20 and engineers;

21 (2) municipal, county, and other local government  
22 authorities;

23 (3) environmental groups; and

24 (4) manufacturers of building materials and products.

25 (b-3) The laboratory shall:

26 (1) submit to the comptroller [~~State Energy~~  
27 ~~Conservation Office~~] written findings on the stringency of the

1 latest published edition of the International Residential Code  
2 energy efficiency provisions only if the date of the edition allows  
3 the comptroller [~~office~~] to adopt the edition under Subsection  
4 (a)(1);

5 (2) submit to the comptroller [~~State—Energy~~  
6 ~~Conservation—Office~~] written findings on the stringency of the  
7 latest published edition of the International Energy Conservation  
8 Code not later than six months after publication of a new edition;  
9 and

10 (3) in developing the findings, consider the comments  
11 submitted under Subsection (b-2).

12 (c) A municipality shall establish procedures:

13 (1) for the administration and enforcement of the  
14 codes;

15 (2) to ensure that code-certified inspectors shall  
16 perform inspections and enforce the code in the inspectors'  
17 jurisdictions; and

18 (3) to track and report to the comptroller [~~state~~  
19 ~~energy conservation office~~] on implementation of the codes.

20 SECTION 27. Sections 388.005(d), (e), and (f), Health and  
21 Safety Code, are amended to read as follows:

22 (d) A political subdivision, institution of higher  
23 education, or state agency that does not attain the goals  
24 established under Subsection (c) must include in the report  
25 required by Subsection (e) justification that the entity has  
26 already implemented all available cost-effective measures. An  
27 entity that submits a report under this subsection indicating that

1 the entity has reviewed its available options, has determined that  
2 no additional measures are cost-effective, and has already  
3 implemented all available cost-effective measures is exempt from  
4 the annual reporting requirement of Subsection (e) if a subsequent  
5 report would indicate no change in status. [~~An entity may be~~  
6 ~~required to provide notice that it is exempt to the State Energy~~  
7 ~~Conservation Office.~~]

8 (e) A political subdivision, institution of higher  
9 education, or state agency annually shall report to the comptroller  
10 [~~State Energy Conservation Office~~], on forms provided by the  
11 comptroller [~~that office~~], regarding the entity's goal, the  
12 entity's efforts to meet the goal, and progress the entity has made  
13 under this section. The comptroller [~~State Energy Conservation~~  
14 ~~Office~~] shall provide assistance and information to the entity to  
15 help the entity meet goals established under this section. The  
16 comptroller [~~office~~] must develop and make available a standardized  
17 form for reporting purposes.

18 (f) This section does not apply to a state agency or an  
19 institution of higher education that the comptroller [~~State Energy~~  
20 ~~Conservation Office~~] determines, before September 1, 2007, adopted  
21 a plan for conserving energy under which the agency or institution  
22 established a percentage goal for reducing the consumption of  
23 electricity. The exemption provided by this section applies only  
24 while the agency or institution has an energy conservation plan in  
25 effect and only if the agency or institution submits reports on the  
26 conservation plan each year to the governor, the Legislative Budget  
27 Board, and the comptroller [~~State Energy Conservation Office~~].



1 SECTION 28. Section 388.006, Health and Safety Code, is  
2 amended to read as follows:

3 Sec. 388.006. [~~STATE ENERGY CONSERVATION OFFICE~~]  
4 EVALUATION BY COMPTROLLER. The comptroller [~~State Energy~~  
5 ~~Conservation Office~~] annually shall provide the laboratory with an  
6 evaluation of the effectiveness of state and political subdivision  
7 energy efficiency programs, including programs under this  
8 chapter. The laboratory shall calculate, based on the evaluation  
9 and the forms submitted to the comptroller [~~office~~], the amount of  
10 energy savings and estimated reduction in pollution achieved as a  
11 result of the implementation of programs. The laboratory shall  
12 share the information with the commission, the United States  
13 Environmental Protection Agency, and the Electric Reliability  
14 Council of Texas to help with long-term forecasting and in  
15 estimating pollution reduction.

16 SECTION 29. Section 302.001(9-a), Local Government Code, is  
17 amended to read as follows:

18 (9-a) "Pilot program" means a pilot program operated  
19 by the Energy Systems Laboratory at the Texas A&M Engineering  
20 Experiment Station, in consultation with the Texas Facilities  
21 Commission [~~and the State Energy Conservation Office~~], that:

22 (A) establishes and implements energy efficiency  
23 improvements to state-owned buildings maintained by the  
24 commission;

25 (B) generates savings in utility costs resulting  
26 from the improvements resulting in at least a 30 percent annual  
27 return on the costs of the improvements;

1 (C) provides for the participation of not fewer  
2 than two companies selected by the commission; and

3 (D) provides for any money attributable to  
4 utility cost savings resulting from the pilot program to be  
5 appropriated only to the commission.

6 SECTION 30. Section 39.905(b-3), Utilities Code, is amended  
7 to read as follows:

8 (b-3) Beginning not later than January 1, 2008, the  
9 commission, in consultation with the comptroller [~~State Energy~~  
10 ~~Conservation Office~~], annually for a period of five years shall  
11 compute and report to ERCOT the projected energy savings and demand  
12 impacts for each entity in the ERCOT region that administers  
13 standard offer programs, market transformation programs, combined  
14 heating and power technology, demand response programs, solar  
15 incentive programs, appliance efficiency standards, energy  
16 efficiency programs in public buildings, and any other relevant  
17 programs that are reasonably anticipated to reduce electricity  
18 energy or peak demand or that serve as substitutes for electric  
19 supply.

20 SECTION 31. Sections 39.9051(f) and (g), Utilities Code,  
21 are amended to read as follows:

22 (f) Beginning April 1, 2012, a municipally owned utility  
23 must report each year to the comptroller [~~State Energy Conservation~~  
24 ~~Office~~], on a standardized form developed by the comptroller  
25 [~~office~~], information regarding the combined effects of the energy  
26 efficiency activities of the utility from the previous calendar  
27 year, including the utility's annual goals, programs enacted to

1 achieve those goals, and any achieved energy demand or savings  
2 goals.

3 (g) The comptroller [~~State Energy Conservation Office~~]  
4 shall provide the reports made under Subsection (f) to the Energy  
5 Systems Laboratory at the Texas Engineering Experiment Station of  
6 The Texas A&M University System. The laboratory shall calculate  
7 the energy savings and estimated pollution reductions that resulted  
8 from the reported activities.

9 SECTION 32. Sections 39.9052(b) and (c), Utilities Code,  
10 are amended to read as follows:

11 (b) Beginning April 1, 2012, an electric cooperative that  
12 had retail sales of more than 500,000 megawatt hours in 2005 must  
13 report each year to the comptroller [~~State Energy Conservation~~  
14 ~~Office~~], on a standardized form developed by the comptroller  
15 [~~office~~], information regarding the combined effects of the energy  
16 efficiency activities of the electric cooperative from the previous  
17 calendar year, including the electric cooperative's annual goals,  
18 programs enacted to achieve those goals, and any achieved energy  
19 demand or savings goals.

20 (c) The comptroller [~~State Energy Conservation Office~~]  
21 shall provide the reports made under Subsection (b) to the Energy  
22 Systems Laboratory at the Texas Engineering Experiment Station of  
23 The Texas A&M University System. The laboratory shall calculate  
24 the energy savings and estimated pollution reductions that resulted  
25 from the reported activities.

26 SECTION 33. Section 39.911, Utilities Code, is amended to  
27 read as follows:

1           Sec. 39.911. ALTERNATIVE FUNDING FOR ENERGY EFFICIENCY AND  
2 RENEWABLE ENERGY SYSTEMS. The comptroller [~~State Energy~~  
3 ~~Conservation Office~~], in coordination with the governor, the  
4 Department of Agriculture, the Texas Commission on Environmental  
5 Quality, the Texas Education Agency, the commission, and other  
6 appropriate state agencies, shall solicit gifts, grants, and other  
7 financial resources available to fund energy efficiency  
8 improvements and renewable energy systems for public and private  
9 facilities in this state.

10           SECTION 34. Section 39.914(e), Utilities Code, is amended  
11 to read as follows:

12           (e) A municipally owned utility or electric cooperative  
13 shall consider and complete the determinations regarding net  
14 metering service as provided by the federal Public Utility  
15 Regulatory Policies Act of 1978 (16 U.S.C. Section 2601 et seq., as  
16 amended by the federal Energy Policy Act of 2005 (Pub. L.  
17 No. 109-58)) after proceedings conducted in accordance with that  
18 law. A municipally owned utility or electric cooperative shall  
19 report the determinations made under this subsection to the  
20 comptroller [~~State Energy Conservation Office~~] and include in that  
21 report information regarding metering electricity generated by  
22 solar panels on public school building rooftops.

23           SECTION 35. The following provisions are repealed:

- 24                   (1) Section 55.115(c), Education Code;  
25                   (2) Chapter 447, Government Code;  
26                   (3) Section 2165.057(b), Government Code;  
27                   (4) Section 2305.002(3), Government Code; and

1           (5) Section 2305.034, Government Code.

2           SECTION 36. (a) On the effective date of this Act, the State  
3 Energy Conservation Office is abolished.

4           (b) The validity of an action taken by or in connection with  
5 the authority of the State Energy Conservation Office before the  
6 date the agency is abolished is not affected by the abolition.

7           SECTION 37. On the effective date of this Act:

8           (1) all powers and duties of the State Energy  
9 Conservation Office are transferred to the comptroller of public  
10 accounts;

11           (2) a rule, form, policy, procedure, or decision of  
12 the State Energy Conservation Office continues in effect as a rule,  
13 form, policy, procedure, or decision of the comptroller of public  
14 accounts until superseded by an act of the comptroller;

15           (3) a reference in law to the State Energy  
16 Conservation Office means the comptroller of public accounts;

17           (4) any action or proceeding before the State Energy  
18 Conservation Office is transferred without change in status to the  
19 comptroller of public accounts and the comptroller assumes, without  
20 a change in status, the position of the State Energy Conservation  
21 Office in any action or proceeding to which the State Energy  
22 Conservation Office is a party;

23           (5) all money, contracts, leases, rights, bonds, and  
24 obligations of the State Energy Conservation Office are transferred  
25 to the comptroller of public accounts;

26           (6) all personal property, including records, in the  
27 custody of the State Energy Conservation Office becomes the

1 property of the comptroller of public accounts; and

2           (7) all funds appropriated by the legislature to the  
3 State Energy Conservation Office are transferred to the comptroller  
4 of public accounts.

5           SECTION 38. This Act takes effect September 1, 2023.