

By: Bonnen

H.B. No. 37

A BILL TO BE ENTITLED

AN ACT

relating to contracts and grant programs related to the Texas Emissions Reduction Plan.

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

SECTION 1. Section 2155.451(a), Government Code, as added by Section 19, Chapter 1331, Acts of the 78th Legislature, Regular Session, 2003, is amended to read as follows:

(a) This section applies only to a contract to be performed, wholly or partly, in a nonattainment area or in an affected county, as those terms are ~~[that term is]~~ defined by Section 386.001, Health and Safety Code.

SECTION 2. Section 271.907(b), Local Government Code, as added by Section 20, Chapter 1331, Acts of the 78th Legislature, Regular Session, 2003, is amended to read as follows:

(b) This section applies only to a contract to be performed, wholly or partly, in a nonattainment area or in an affected county, as those terms are ~~[that term is]~~ defined by Section 386.001, Health and Safety Code.

SECTION 3. Section 386.051(b), Health and Safety Code, is amended to read as follows:

(b) Under the plan, the commission and ~~[7]~~ the comptroller ~~[7 and the council]~~ shall provide grants or other funding for:

(1) the diesel emissions reduction incentive program established under Subchapter C, including for infrastructure

1 projects established under that subchapter;

2 (2) the motor vehicle purchase or lease incentive
3 program established under Subchapter D; and

4 (3) the new technology research and development
5 program established under Chapter 387.

6 SECTION 4. Section 387.001, Health and Safety Code, is
7 amended to read as follows:

8 Sec. 387.001. DEFINITIONS [~~DEFINITION~~]. In this chapter:

9 (1) "Commission" means the Texas Commission on
10 Environmental Quality; and

11 (2) "Program" [~~,"program"~~] means the new technology
12 research and development program.

13 SECTION 5. Section 387.003, Health and Safety Code, as
14 amended by Chapters 29 and 1331, Acts of the 78th Legislature,
15 Regular Session, 2003, is amended to read as follows:

16 Sec. 387.003. NEW TECHNOLOGY RESEARCH AND DEVELOPMENT
17 PROGRAM. (a) The commission in consultation with the Texas Council
18 on Environmental Technology shall establish and administer a new
19 technology research and development program as provided by this
20 chapter.

21 (b) Under the program, the commission [~~Texas Council on~~
22 ~~Environmental Technology~~] shall provide grants to be used to
23 support development of emissions-reducing technologies that may be
24 used for projects eligible for awards under Chapter 386 and other
25 new technologies that show promise for commercialization. The
26 primary objective of this chapter is to promote the development of
27 commercialization technologies that will support projects that may

1 be funded under Chapter 386 and this chapter, including advanced
2 technologies such as fuel cells, catalysts, and fuel additives.

3 (c) When making a grant under the program, the commission
4 [~~Texas Council on Environmental Technology~~] may collect a fee from
5 the grant recipient in an amount not to exceed five percent of the
6 amount of the grant to be used by the commission [~~council~~] only to:

- 7 (1) monitor project progress;
8 (2) disseminate information about project
9 accomplishments;
10 (3) track technology deployment into the marketplace;
11 and
12 (4) provide estimates of the impact that
13 commercialization of funded projects will have on the environment.

14 SECTION 6. Section 387.004, Health and Safety Code, is
15 amended to read as follows:

16 Sec. 387.004. SOLICITATION OF NEW TECHNOLOGY PROPOSALS.
17 The commission [~~Texas Council on Environmental Technology~~] from
18 time to time shall issue specific requests for proposals (RFPs) or
19 program opportunity notices (PONs) for technology projects to be
20 funded under the program.

21 SECTION 7. Sections 387.005(b) and (c), Health and Safety
22 Code, are amended to read as follows:

23 (b) The commission [~~Texas Council on Environmental~~
24 ~~Technology~~] shall identify and evaluate and may consider making
25 grants for technology projects that would allow qualifying fuels to
26 be produced from energy resources in this state. In considering
27 projects under this subsection, the commission [~~council~~] shall give

1 preference to projects involving otherwise unusable energy
2 resources in this state and producing qualifying fuels at prices
3 lower than otherwise available and low enough to make the projects
4 to be funded under the program economically attractive to local
5 businesses in the area for which the project is proposed.

6 (c) In soliciting proposals under Section 387.004 and
7 determining how to allocate grant money available for projects
8 under this chapter, the commission [~~Texas Council on Environmental~~
9 ~~Technology~~] shall give special consideration to advanced
10 technologies and retrofit or add-on projects that provide multiple
11 benefits by reducing emissions of particulates and other air
12 pollutants.

13 SECTION 8. Section 387.006(b), Health and Safety Code, is
14 amended to read as follows:

15 (b) The commission [~~Texas Council on Environmental~~
16 ~~Technology~~] shall consider specifically, for each proposed
17 technology project application:

18 (1) the projected potential for reduced emissions of
19 oxides of nitrogen and the cost-effectiveness of the technology
20 once it has been commercialized;

21 (2) the potential for the technology to contribute
22 significantly to air quality goals; and

23 (3) the strength of the commercialization plan.

24 SECTION 9. Section 387.007, Health and Safety Code, is
25 amended to read as follows:

26 Sec. 387.007. COST-SHARING. The commission [~~Texas Council~~
27 ~~on Environmental Technology~~] may require cost-sharing for

1 technology projects funded under this chapter but may not require
2 repayment of grant money, except that the commission [~~council~~]
3 shall require provisions for recapturing grant money for
4 noncompliance with grant requirements. Grant money recaptured
5 under the contract provision shall be deposited in the
6 environmental research fund and reallocated for other projects
7 under this chapter.

8 SECTION 10. Section 387.008(b), Health and Safety Code, is
9 amended to read as follows:

10 (b) Money in the environmental research fund may be used
11 only for the operation and projects of the commission under this
12 chapter [~~Texas Council on Environmental Technology~~].

13 SECTION 11. Section 387.009, Health and Safety Code, is
14 amended to read as follows:

15 Sec. 387.009. ADVISORY COMMITTEES. (a) The commission
16 [~~Texas Council on Environmental Technology~~] may appoint advisory
17 committees as necessary or desirable to assist the commission
18 [~~council~~] in performing its duties under this chapter.

19 (b) An advisory committee appointed under this section may
20 include representatives of industry, environmental groups,
21 consumer groups, local governments, agriculture, the commission,
22 the General Land Office, and the Railroad Commission of Texas.

23 (c) Any senator or representative desiring to do so may
24 participate on any advisory committee appointed under this section.

25 (d) Members of an advisory committee appointed under this
26 section are not entitled to compensation.

27 SECTION 12. Section 387.010, Health and Safety Code, is

1 amended to read as follows:

2 Sec. 387.010. REPORTS. Not later than December 1, 2002, and
3 not later than December 1 of each subsequent second year, the
4 commission [~~Texas Council on Environmental Technology~~] shall
5 report to the legislature on projects funded under the new
6 technology research and development program, describing the
7 technical objectives and accomplishments of the project and the
8 progress of the project technology toward commercialization. Using
9 sound science, the report shall detail the costs and actual
10 realized benefits of the program and of each project funded under
11 the program.

12 SECTION 13. Section 387.002(c), Health and Safety Code, is
13 repealed.

14 SECTION 14. This Act takes effect immediately if it
15 receives a vote of two-thirds of all the members elected to each
16 house, as provided by Section 39, Article III, Texas Constitution.
17 If this Act does not receive the vote necessary for immediate
18 effect, this Act takes effect on the 91st day after the last day of
19 the legislative session.