Amend CSHB 1365 by adding the following appropriately numbered sections and renumbering subsequent sections accordingly:

SECTION ____. Section 388.003, Health and Safety Code, is amended by amending Subsection (d) and by adding Subsections (j) and (k) to read as follows:

(d) A municipality or county may establish procedures to adopt:

(1) local amendments to the International Energy Conservation Code and the energy efficiency chapter of the International Residential Code<u>; or</u>

(2) local building codes that meet or exceed the green building standards under Section 388.009.

(j) As required by Section 389.002, the commission shall report the energy savings identified under Subsection (e)(2) to the United States Environmental Protection Agency and shall periodically revise the state implementation plan to reflect the emissions reductions achieved.

(k) The commission, by rule, shall designate a method by which a municipality, county, builder, or other person can estimate:

(1) the energy savings and emissions reductions that would be generated by the adoption of a code, the implementation of a standard under this chapter, or the construction of a project that implements the code or standards; and

(2) the emissions reduction credits that the municipality or county could accrue toward attainment under the state implementation plan as reported by the commission under Section 389.002.

SECTION ____. Chapter 388, Health and Safety Code, is amended by adding Sections 388.009 and 388.010 to read as follows:

Sec. 388.009. GREEN BUILDING PROGRAM. (a) In this section, "National Housing Act" means Section 203(b), (i), or (k) of the National Housing Act (12 U.S.C. Sections 1709(b), (i), and (k)), as amended.

(b) The General Land Office, in consultation with the laboratory, the commission, and an advisory committee appointed by the General Land Office, may develop a green building accreditation program for buildings that exceed the building energy performance standards under Section 388.003 by 15 percent or more.

(c) If the General Land Office adopts a program under this section, the General Land Office, in consultation with the laboratory, shall update the program on or before December 1 of each even-numbered year using the best available green building practices.

(d) If the General Land Office adopts a program under this section, the program shall use a checklist system to produce a green building scorecard to help:

(1) home buyers compare potential homes and, by providing a copy of the completed scorecard to a mortgage lender, qualify for energy-efficient mortgages under the National Housing Act; and

(2) communities qualify for emissions reduction credits by adopting codes that meet or exceed the green building or energy performance standards established under this chapter.

(e) If the General Land Office adopts a program under this section, the General Land Office shall base green building standards for commercial buildings on federal agency programs.

(f) The General Land Office may establish a public information program to inform homeowners, sellers, buyers, and others regarding green building ratings.

(g) If the General Land Office adopts a program under this section, the laboratory shall establish a system to measure the reduction in energy and emissions produced under the green building program and report those savings to the commission.

Sec. 388.010. OUTREACH TO NEAR-NONATTAINMENT AREAS. The commission shall conduct outreach to near-nonattainment areas and affected counties on the benefits of implementing energy efficiency initiatives, including the promotion of green building programs and urban heat island mitigation techniques, as a way to meet air quality attainment goals under the federal Clean Air Act (42 U.S.C. Section 7401 et seq.).

SECTION ____. Chapter 389, Health and Safety Code, is amended by adding Section 389.003 to read as follows:

Sec. 389.003. COMPUTING ENERGY EFFICIENCY CREDITS. The

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commission shall develop a method to use in computing the credits received for emissions reductions obtained through energy efficiency initiatives.

SECTION ____. Not later than December 1, 2003, the Texas Commission on Environmental Quality:

(1) shall adopt rules needed to implement Sections388.010 and 389.003, Health and Safety Code, as added by this Act;and

(2) shall develop a method for computing energy efficiency credits, as required by Section 389.003, Health and Safety Code, as added by this Act.

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