

Amend CSSB 1952 by adding the following appropriately numbered article to the bill and renumbering remaining articles of the bill as appropriate:

ARTICLE ____ . FUEL SAVINGS FOR STATE AGENCIES

SECTION ____ .01. Chapter 447, Government Code, as amended by Chapters 573, 1158, and 1398, Acts of the 77th Legislature, Regular Session, 2001, is amended by adding Sections 447.012 and 447.013 to read as follows:

Sec. 447.012. FUEL SAVINGS FOR STATE AGENCIES. (a) In this section and in Section 447.013:

(1) "Cost-effective" means resulting in fuel consumption reduction with a projected savings in fuel cost over a one-year period that exceeds the cost of purchasing and using a technology.

(2) "Fuel-saving technology" means a:

(A) device containing no lead metal that is installed on a motor vehicle or non-road diesel and that has been proven to reduce fuel consumption per mile or per hour of operation by at least five percent;

(B) fuel additive registered in accordance with 40 C.F.R. Part 79 that contains no known mutagenic materials and that has been proven to reduce fuel consumption per mile or per hour of operation by at least five percent; or

(C) fuel registered in accordance with 40 C.F.R. Part 79 that contains no known mutagenic materials and that has been proven to reduce fuel consumption per mile or per hour of operation by at least five percent.

(3) "Motor vehicle" and "non-road diesel" have the meanings assigned by Section 386.101, Health and Safety Code.

(4) "Proven fuel-saving technologies" means technologies shown to reduce fuel use by at least five percent in:

(A) an Environmental Protection Agency fuel economy federal test protocol test performed at a laboratory recognized by the Environmental Protection Agency;

(B) a fuel economy test performed in accordance with protocols and at testing laboratories or facilities recognized by the state energy conservation office, the Texas Commission on

Environmental Quality, or the Environmental Protection Agency; or

(C) a field demonstration performed in accordance with Section 447.013.

(b) A state agency with 10 or more motor vehicles or non-road diesels shall reduce the total fuel consumption of the vehicles or diesels by at least five percent from fiscal year 2002 consumption levels through the use of cost-effective fuel-saving technologies.

(c) A state agency may delay reducing fuel use as described in this section until a list of proven fuel-saving technologies is provided by the state energy conservation office as provided by Section 447.013.

(d) A state agency may not purchase or use as a fuel-saving technology a technology that:

(1) is known to increase oxides of nitrogen emissions or toxic air contaminants; or

(2) may be reasonably concluded to degrade air quality or human health or to negatively impact the environment.

(e) A state agency may purchase cost-effective fuel-saving technologies out of the agency's fuel budget.

(f) A state agency shall competitively evaluate similar fuel-saving technologies.

(g) A state agency may require a seller of a fuel-saving technology to refund the cost of the technology if it is determined to be ineffective at reducing fuel use by at least five percent before the 91st day after the date the technology is first used by the agency.

(h) A state agency may use fuel-saving technologies that the agency determines are cost-effective and may use a fuel-saving technology in applications that provide other benefits, including emissions reductions.

(i) A state agency may establish a program for agency employees to voluntarily:

(1) purchase fuel-saving technologies; and

(2) document reductions in fuel savings and air emissions.

(j) A state agency shall annually report to the state energy

conservation office on a form provided by the office on the state agency's efforts and progress under this section.

Sec. 447.013. FIELD DEMONSTRATIONS. (a) Under the direction of the state energy conservation office, the Texas Department of Transportation shall demonstrate the effectiveness of at least four fuel-saving technologies on a combined maximum of 100 motor vehicles or non-road diesels in accordance with this section to determine the fuel-saving technologies that may cost-effectively reduce fuel consumption and save state revenue.

(b) Varying ages and types of motor vehicles and non-road diesels shall be selected to demonstrate the fuel-saving technologies. Preference shall be given to high-use motor vehicles and non-road diesels in the selection.

(c) The Texas Department of Transportation shall demonstrate the performance of fuel-saving technologies by:

(1) assessing a technology's performance in the normal course of operations of motor vehicles or non-road diesels; and

(2) performing controlled field tests.

(d) In selecting the technologies to be evaluated, the state energy conservation office shall:

(1) consult with governmental and business organizations that are currently using fuel-saving technology;

(2) consider technologies that are proven fuel-saving technologies that have demonstrated fuel economy benefits of five percent or more in field tests or recorded use data of government organizations or businesses that operate fleets; and

(3) determine whether each technology selected has the potential to be cost-effective.

(e) A fuel-saving technology may be disqualified from being demonstrated or used if it is known to reduce engine performance, reduce the life of the engine, require additional maintenance expenses, or degrade air quality.

(f) The Texas Council on Environmental Technology, The University of Texas Center for Transportation Research, the University of Houston Diesel Emissions Center, or another agency may be designated to assist with executing the demonstration, compiling the results, estimating the potential average fuel

savings of the technologies in different applications, or preparing a final report.

(g) On completing the demonstration described by this section the state energy conservation office shall rank the fuel-saving technologies based on their fuel savings, other cost savings, and overall cost-effectiveness. The office shall:

(1) list recommended applications of the technologies;

(2) document other negative or positive effects; and

(3) prepare a concise report of these findings.

(h) The Texas Council on Environmental Technology shall obtain information on any fuel-saving technology that appears to reduce particulate matter, oxides of nitrogen, carbon monoxide, or hydrocarbon emissions. The Texas Council on Environmental Technology may use this information to fund the Environmental Protection Agency verification of a technology in accordance with Section 387.003, Health and Safety Code.

(i) The state energy conservation office shall provide the report prepared under Subsection (g) to each state agency with 10 or more motor vehicles or non-road diesels and to the Legislative Budget Board.

(j) The demonstration and associated reports described by this section shall be completed not later than September 1, 2004.

(k) All results of a demonstration project under this section shall be made public on the state energy conservation office's Internet website.

(l) The state energy conservation office shall provide quarterly an updated list of all proven fuel-saving technologies on its Internet website.

(m) Money from the state highway fund may not be used for the purchase, installation, maintenance, or operation of the fuel-saving technologies being assessed or subjected to controlled field tests under this section. Repairs to state equipment resulting from demonstrations of fuel-saving technologies must be paid from the same funds used to implement this section.