## **BILL ANALYSIS**

Senate Research Center 79R10593 E

H.B. 965 By: Haggerty (Jackson, Mike) Natural Resources 4/19/2005 Engrossed

## **AUTHOR'S/SPONSOR'S STATEMENT OF INTENT**

In 1999, the Texas Legislature authorized the Texas Commission on Environmental Quality (commission) to initiate programs designed to reduce emissions of nitrogen oxides (NOX). One program involved proposing new NOX emissions standards for all new and replacement natural gas residential water heaters in Texas. The new standards would require that water heaters comply with a 10 nanogram per joule (ng/J) emissions specification.

In December 2004, the commission voted to delay the implementation of the new standards for two years because no residential water heaters which would meet the 10ng/J standards were available on the market. No such heaters are available on the market today, nor is there a timeline available for their development. Manufacturers of gas residential water heaters acknowledge that units developed to the 10 ng/J standard would be more costly than units available today.

H.B. 965 excludes residential water heater emissions from commission authority.

## **RULEMAKING AUTHORITY**

Rulemaking authority previously granted to the Texas Commission on Environmental Quality is modified in SECTION 1 (Section 382.0275, Health and Safety Code) of this bill.

## **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter B, Chapter 382, Health and Safety Code, by adding Section 382.0275, as follows:

Sec. 382.0275. PROHIBITION ON COMMISSION ACTION RELATING TO RESIDENTIAL WATER HEATERS. (a) Defines "residential water heater."

- (b) Prohibits the Texas Commission on Environmental Quality (commission) from adopting or enforcing a rule, determination, or order that relates to emissions from residential water heaters.
- (c) Requires any emission reductions related to residential gas water heaters that the commission does not adopt because of Subsection (b) to be replaced by a requirement that will obtain emission reductions from the same category.

SECTION 2. Effective date: upon passage or September 1, 2005.