

By: Anchia

H.B. No. 270

A BILL TO BE ENTITLED

AN ACT

relating to the use of the Texas emerging technology fund and other incentives to promote new energy technology; imposing a tax.

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

SECTION 1. Subchapter B, Chapter 490, Government Code, as added by Chapter 280, Acts of the 79th Legislature, Regular Session, 2005, is amended by adding Section 490.058 to read as follows:

Sec. 490.058. REPORT TO LEGISLATURE. On or before January 1 of each odd-numbered year, the committee shall submit a report to the legislature that states:

(1) the amount of money distributed to each person awarded a grant under this chapter during the preceding fiscal biennium and the purpose for which the grant was awarded;

(2) a detailed description of the results produced by each person awarded a grant from the fund during the preceding six fiscal years as a result of receiving the grant, including the technology developed and the number of jobs created; and

(3) an analysis of the effectiveness of using grants awarded from the fund for new energy technologies in shifting the economy of this state toward primarily using sustainable and efficient new energy technologies.

SECTION 2. Section 490.101(b), Government Code, as added by Chapter 280, Acts of the 79th Legislature, Regular Session, 2005,

1 is amended to read as follows:

2 (b) The following amounts shall be deposited in the fund:

3 (1) any amounts appropriated by the legislature for
4 the fund;

5 (2) benefits realized from a project undertaken with
6 money from the fund, as provided by a contract entered into under
7 Section 490.103;

8 (3) gifts, grants, and other donations received for
9 the fund; ~~and~~

10 (4) interest earned on the investment of money in the
11 fund; and

12 (5) revenue from the coal tax imposed under Chapter
13 163, Tax Code.

14 SECTION 3. Section 490.102, Government Code, as added by
15 Chapter 280, Acts of the 79th Legislature, Regular Session, 2005,
16 is amended by amending Subsection (a) and adding Subsection (c) to
17 read as follows:

18 (a) Except as provided by Subsection (c), money ~~[Money]~~
19 appropriated to the fund by the legislature shall be allocated as
20 follows:

21 (1) 50 percent of the money for incentives for
22 collaboration between certain entities as provided by Subchapter D;

23 (2) 25 percent of the money for research grant
24 matching as provided by Subchapter E; and

25 (3) 25 percent of the money for acquisition of
26 research superiority as provided by Subchapter F.

27 (c) Revenue from the coal tax imposed under Chapter 163, Tax

1 Code, may be used only to provide funding for new energy
2 technologies as provided by Subchapter H.

3 SECTION 4. Chapter 490, Government Code, as added by
4 Chapter 280, Acts of the 79th Legislature, Regular Session, 2005,
5 is amended by adding Subchapter H to read as follows:

6 SUBCHAPTER H. NEW ENERGY TECHNOLOGY

7 Sec. 490.351. USE OF MONEY FOR NEW ENERGY TECHNOLOGY. (a)
8 Amounts allocated from the fund for use as provided by this
9 subchapter shall be used to promote the development,
10 implementation, and use of new energy technology.

11 (b) The committee shall recommend proposals eligible for
12 funding under this section to the governor, lieutenant governor,
13 and speaker of the house of representatives.

14 Sec. 490.352. NEW ENERGY TECHNOLOGY. (a) For purposes of
15 this subchapter, a process of providing energy that the committee
16 determines significantly reduces greenhouse gas emissions, has
17 minimal risk to public health and the environment, and is
18 sustainable and efficient is considered new energy technology.

19 (b) Nuclear fission energy may not be considered new energy
20 technology under this subchapter.

21 Sec. 490.353. ENTITIES ELIGIBLE FOR AWARD. A private
22 industry, nonprofit organization, or academic institution that
23 seeks to research and develop new energy technology or promote the
24 use or implementation of a new energy technology is eligible for
25 funding under this subchapter.

26 Sec. 490.354. NEW ENERGY TECHNOLOGY ADVISORY PANEL. (a)
27 The committee shall create a new energy technology advisory panel

1 composed of at least:

2 (1) one representative from an environmental advocacy
3 organization;

4 (2) one representative from a public health advocacy
5 organization;

6 (3) one academic scholar in the field of developing
7 new energy technology; and

8 (4) one representative from a private new energy
9 technology industry.

10 (b) The advisory panel shall advise the committee on
11 recommendations for awarding grants under this subchapter.

12 SECTION 5. Subtitle E, Title 2, Tax Code, is amended by
13 adding Chapter 163 to read as follows:

14 CHAPTER 163. COAL TAX

15 SUBCHAPTER A. GENERAL PROVISIONS

16 Sec. 163.001. DEFINITIONS. In this chapter:

17 (1) "Coal" includes lignite.

18 (2) "Lignite" means coal commonly referred to as brown
19 coal, of intermediate grade between peat and bituminous coal.

20 (3) "Use" includes storage for use in this state, but
21 does not include the storage for use or shipment out of this state.

22 [Sections 163.002-163.020 reserved for expansion]

23 SUBCHAPTER B. IMPOSITION AND COLLECTION OF TAX

24 Sec. 163.021. TAX IMPOSED. (a) A tax is imposed on the
25 purchase in this state of coal for use in this state.

26 (b) A tax is imposed on the use of coal in this state.

27 Sec. 163.022. RATE OF TAX. (a) Except as provided by

1 Subsection (b), the rate of the taxes imposed by this chapter is 7.5
2 percent of the total price paid for the coal, without regard to
3 where the purchase occurs, delivered at the site at which the coal
4 will be used, including transportation costs to that site.

5 (b) The rate of the taxes imposed by this chapter on coal
6 used in this state by a producer of coal who owns the coal in place
7 and who produces the coal for the producer's own use is 7.5 percent
8 of the fair market value of the coal, including transportation
9 costs to the site at which the coal is used.

10 Sec. 163.023. USE TAX DEDUCTION. A person may deduct from
11 the amount of tax otherwise imposed by Section 163.021(b) the
12 amount of tax reported and paid under Section 163.021(a).

13 Sec. 163.024. PAYMENT OF TAX. On or before the 25th day of
14 each month, each person on whom a tax is imposed by this chapter
15 shall send to the comptroller the amount of tax due under this
16 chapter for the preceding month.

17 Sec. 163.025. REPORTS. On or before the 25th day of each
18 month, each person on whom a tax is imposed by this chapter shall
19 file with the comptroller a report stating:

20 (1) the amount of coal purchased by the person for use
21 in this state and used in this state during the preceding month and
22 the total price of that coal;

23 (2) the amount of coal used in this state by a producer
24 of coal who owns the coal in place and who produces the coal for the
25 producer's own use, and the total market value of that coal; and

26 (3) any other information required by the comptroller.

27 Sec. 163.026. RECORDS. A person on whom a tax is imposed by

1 this chapter shall keep a complete record of:

2 (1) the amount of coal purchased by the person for use
3 in this state;

4 (2) the use of coal in this state by the person; and

5 (3) any other information required by the comptroller.

6 [Sections 163.027-163.050 reserved for expansion]

7 SUBCHAPTER C. PENALTIES AND OFFENSES

8 Sec. 163.051. INTEREST ON DELINQUENT TAX. A tax imposed by
9 this chapter that is delinquent draws interest as provided by
10 Section 111.060.

11 Sec. 163.052. PENALTY. (a) A person on whom a tax is
12 imposed by this chapter and who fails to file a report as required
13 by this chapter or does not pay the tax when it is due forfeits to
14 the state a penalty of 12 percent of the amount of tax delinquent.

15 (b) If a report required by this chapter is not filed or a
16 tax imposed by this chapter is not paid within 30 days after it is
17 due, the person on whom the tax is imposed forfeits to the state a
18 penalty of an additional 12 percent of the amount of tax delinquent.

19 (c) The minimum penalty under this section is \$1.

20 Sec. 163.053. CRIMINAL PENALTY. (a) A person who violates
21 this chapter commits an offense.

22 (b) An offense under this section is a Class C misdemeanor.

23 [Sections 163.054-163.070 reserved for expansion]

24 SUBCHAPTER D. ALLOCATION AND USE

25 Sec. 163.071. ALLOCATION OF TAX REVENUE. All of the
26 revenue from the tax imposed by this chapter shall be deposited to
27 the credit of the Texas emerging technology fund and may be used

1 only to provide funding for new energy technology grants.

2 SECTION 6. This Act takes effect September 1, 2007.