

By: Bohac

H.B. No. 1335

A BILL TO BE ENTITLED

AN ACT

relating to the Texas emissions reduction plan, including the motor vehicle purchase or lease incentive program under the plan.

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

SECTION 1. Section 382.0622, Health and Safety Code, is amended by adding Subsection (f) to read as follows:

(f) Money deposited to the credit of the clean air account that is not otherwise dedicated by law for another purpose may be used to implement and administer the motor vehicle purchase or lease incentive program established under Subchapter D, Chapter 386. This subsection expires on the date Chapter 386 expires.

SECTION 2. Section 386.153, Health and Safety Code, is amended to read as follows:

Sec. 386.153. LIGHT-DUTY MOTOR VEHICLE PURCHASE OR LEASE INCENTIVE SCHEDULE. (a) In this section, "total consideration" has the meaning assigned by Section 152.002, Tax Code.

(b) A new light-duty motor vehicle is eligible for an incentive according to the following schedule:

(1) seven percent of the total consideration if the motor vehicle emits at least 0.45 pounds but not more than 0.55 pounds of carbon dioxide per mile; or

(2) 10 percent of the total consideration if the motor vehicle emits less than 0.45 pounds of carbon dioxide per mile.

~~[Incentive emissions standard and incentive amount~~

~~[Model year 2003-2007~~

~~[Bin 4 \$1,250~~

~~[Bin 3 \$2,225~~

~~[Bin 2 \$3,750~~

~~[Bin 1 \$5,000]~~

SECTION 3. Subchapter D, Chapter 386, Health and Safety Code, is amended by adding Section 386.157 to read as follows:

Sec. 386.157. INFORMATION RELATED TO MOTOR VEHICLE EMISSIONS. (a) Each manufacturer of motor vehicles shall prepare for distribution to its franchised dealers in this state a brochure that includes:

(1) the list of eligible motor vehicles prepared by the manufacturer under Section 386.155;

(2) the emissions and air pollution ratings, not including fuel efficiency, for each motor vehicle included in the list, based on information from the Green Vehicle Guide published by the United States Environmental Protection Agency; and

(3) information on how consumers can obtain additional information from the Green Vehicle Guide.

(b) In addition to the information required by Subsection (a), the brochure shall include:

(1) the emissions and air pollution ratings, not including fuel efficiency, for each motor vehicle described by Subsection (a)(1) based on the motor vehicle's federal bin certification number;

(2) information on where the federal bin certification number is located on each motor vehicle; and

1 (3) instructions that clearly indicate how to
2 interpret the federal bin certification number.

3 (c) The commission by rule shall establish standards
4 relating to the preparation and distribution to franchised dealers
5 and to the dealers' customers of the brochure required by this
6 section.

7 SECTION 4. Section 386.252(a), Health and Safety Code, as
8 amended by Section 3, Chapter 766, Section 3, Chapter 1095, and
9 Section 11, Chapter 1125, Acts of the 79th Legislature, Regular
10 Session, 2005, is reenacted and amended to read as follows:

11 (a) Money in the fund may be used only to implement and
12 administer programs established under the plan and shall be
13 allocated as follows:

14 (1) for the diesel emissions reduction incentive
15 program, 77.5 [~~87.5~~] percent of the money in the fund, of which not
16 more than four percent may be used for the clean school bus program
17 and not more than 10 percent may be used for on-road diesel purchase
18 or lease incentives;

19 (2) for the new technology research and development
20 program, 9.5 percent of the money in the fund, of which up to
21 \$250,000 is allocated for administration, up to \$200,000 is
22 allocated for a health effects study, \$500,000 is to be deposited in
23 the state treasury to the credit of the clean air account created
24 under Section 382.0622 to supplement funding for air quality
25 planning activities in affected counties, not less than 20 percent
26 is to be allocated each year to support research related to air
27 quality for the Houston-Galveston-Brazoria and Dallas-Fort Worth

1 nonattainment areas by a nonprofit organization based in Houston of
2 which \$216,000 each year shall be contracted to the Energy Systems
3 Laboratory at the Texas Engineering Experiment Station for the
4 development and annual calculation of creditable statewide
5 emissions reductions obtained through wind and other renewable
6 energy resources for the State Implementation Plan, and the balance
7 is to be allocated each year to that nonprofit organization based in
8 Houston to be used to implement and administer the new technology
9 research and development program under a contract with the
10 commission for the purpose of identifying, testing, and evaluating
11 new emissions-reducing technologies with potential for
12 commercialization in this state and to facilitate their
13 certification or verification; ~~and~~

14 (3) for the motor vehicle purchase or lease incentive
15 program, 10 percent of the money in the fund; and

16 (4) for administrative costs incurred by the
17 commission and the laboratory, three percent of the money in the
18 fund.

19 SECTION 5. Effective September 1, 2008, Section 386.252(a),
20 Health and Safety Code, as amended by Section 3, Chapter 766,
21 Section 3, Chapter 1095, and Section 12, Chapter 1125, Acts of the
22 79th Legislature, Regular Session, 2005, is reenacted and amended
23 to read as follows:

24 (a) Money in the fund may be used only to implement and
25 administer programs established under the plan and shall be
26 allocated as follows:

27 (1) for the diesel emissions reduction incentive

1 program, 54 [~~64~~] percent of the money in the fund, of which not more
2 than four percent may be used for the clean school bus program and
3 not more than 10 percent may be used for on-road diesel purchase or
4 lease incentives;

5 (2) for the new technology research and development
6 program, 33 percent of the money in the fund, of which up to
7 \$250,000 is allocated for administration, up to \$200,000 is
8 allocated for a health effects study, \$500,000 is to be deposited in
9 the state treasury to the credit of the clean air account created
10 under Section 382.0622 to supplement funding for air quality
11 planning activities in affected counties, not less than 10 percent
12 is to be allocated each year to support research related to air
13 quality for the Houston-Galveston-Brazoria and Dallas-Fort Worth
14 nonattainment areas by a nonprofit organization based in Houston of
15 which \$216,000 each year shall be contracted to the Energy Systems
16 Laboratory at the Texas Engineering Experiment Station for the
17 development and annual calculation of creditable statewide
18 emissions reductions obtained through wind and other renewable
19 energy resources for the State Implementation Plan, not less than
20 25.5 percent is to be allocated each year to that nonprofit
21 organization based in Houston to be used to implement and
22 administer the new technology research and development program
23 under a contract with the commission for the purpose of
24 identifying, testing, and evaluating new emissions-reducing
25 technologies with potential for commercialization in this state and
26 to facilitate their certification or verification, not more than
27 \$12,500,000 is to be allocated each year from any excess funds to be

1 administered by the commission to fund a study of regional ozone
2 formation in this state, meteorological and chemical modeling, and
3 issues related to ozone formation by ozone precursors and fine
4 particulate matter formation in this state, and the balance is to be
5 allocated each year to the commission to fund promising new
6 technologies as identified through the new technology research and
7 development program and recommended by that nonprofit organization
8 based in Houston in order to permit obtaining the maximum credits
9 for emissions reductions under the state's air quality state
10 implementation plans; ~~and~~

11 (3) for the motor vehicle purchase or lease incentive
12 program, 10 percent of the money in the fund; and

13 (4) for administrative costs incurred by the
14 commission and the laboratory, three percent of the money in the
15 fund.

16 SECTION 6. Section 386.153, Health and Safety Code, as
17 amended by this Act, applies only to a new motor vehicle sold or
18 leased on or after the effective date of this Act. A new motor
19 vehicle sold or leased before the effective date of this Act is
20 governed by the law as it existed immediately before the effective
21 date of this Act, and that law is continued in effect for that
22 purpose.

23 SECTION 7. (a) Not later than October 1, 2007, the Texas
24 Commission on Environmental Quality shall adopt the rules required
25 by Section 386.157, Health and Safety Code, as added by this Act.

26 (b) Not later than January 1, 2008, each manufacturer of a
27 new motor vehicle offered for sale in this state shall prepare and

H.B. No. 1335

1 distribute to its franchised dealers in this state the brochure
2 required by Section 386.157, Health and Safety Code, as added by
3 this Act.

4 SECTION 8. This Act takes effect September 1, 2007.