

By: Chisum

H.J.R. No. 93

Substitute the following for H.J.R. No. 93:

By: Paxton

C.S.H.J.R. No. 93

A JOINT RESOLUTION

1 proposing constitutional amendments authorizing the issuance of
2 general obligation bonds to provide and guarantee loans to
3 encourage the use of carbon-free hydrogen energy and for clean
4 energy projects.

5 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Article III, Texas Constitution, is amended by
7 adding Section 49-p to read as follows:

8 Sec. 49-p. (a) To provide and guarantee loans to encourage
9 the use of carbon-free hydrogen energy in this state, the
10 legislature by general law may authorize the Texas Public Finance
11 Authority or its successor to issue general obligation bonds of the
12 State of Texas in an amount not to exceed \$250 million and to enter
13 into related bond enhancement agreements. The proceeds from the
14 sale of the bonds may be used only to make and guarantee loans to
15 business entities for projects that:

16 (1) expand the use of carbon-free hydrogen energy in
17 this state; or

18 (2) relate to the manufacture, storage, distribution,
19 or sale of carbon-free hydrogen energy in this state.

20 (b) For purposes of this section, hydrogen is considered to
21 be carbon-free if:

22 (1) any carbon resulting from the production of the
23 hydrogen is captured during production and:

24 (A) permanently geologically sequestered; or

1 (B) used in the production of other carbon-based
2 products at a rate that exceeds 90 percent of the input; and

3 (2) any carbon resulting from the generation of any
4 electricity used in the production of the hydrogen is captured and:

5 (A) permanently geologically sequestered; or

6 (B) used in the production of other carbon-based
7 products at a rate that exceeds 90 percent of the input.

8 (c) The bonds authorized under this section constitute a
9 general obligation of the state. While any of the bonds or interest
10 on the bonds is outstanding and unpaid, there is appropriated out of
11 the first money coming into the treasury in each fiscal year not
12 otherwise appropriated by this constitution an amount sufficient to
13 pay the principal of and interest on the bonds that mature or become
14 due during the fiscal year, including an amount sufficient to make
15 payments under a related bond enhancement agreement.

16 SECTION 2. Article III, Texas Constitution, is amended by
17 adding Section 49-q to read as follows:

18 Sec. 49-q. (a) To provide and guarantee loans to encourage
19 advanced clean energy projects in this state, the legislature by
20 general law may authorize the Texas Public Finance Authority or its
21 successor to issue general obligation bonds of the State of Texas in
22 an amount not to exceed \$250 million and to enter into related bond
23 enhancement agreements. The proceeds from the sale of the bonds may
24 be used only to make and guarantee loans to business entities for
25 advanced clean energy projects.

26 (b) For purposes of this section, "advanced clean energy
27 project" means a project:

1 (1) for which an application for a permit under
2 Chapter 382, Health and Safety Code, is received by the Texas
3 Commission on Environmental Quality on or after September 1, 2008,
4 and before September 1, 2020;

5 (2) that involves the use of coal, biomass, petroleum
6 coke, or solid waste in the generation of electricity, process
7 steam, or industrial products, including gasification and the
8 creation of liquid fuels, hydrogen for fuel cells, and other
9 coproducts; and

10 (3) that:

11 (A) is capable of achieving:

12 (i) a 99 percent reduction of sulfur
13 dioxide emissions;

14 (ii) a 95 percent reduction of mercury
15 emissions; and

16 (iii) an emission rate for oxides of
17 nitrogen of 0.05 pounds per million Btu; and

18 (B) renders carbon dioxide capable of capture,
19 sequestration, or abatement.

20 (c) The bonds authorized under this section constitute a
21 general obligation of the state. While any of the bonds or interest
22 on the bonds is outstanding and unpaid, there is appropriated out of
23 the first money coming into the treasury in each fiscal year not
24 otherwise appropriated by this constitution an amount sufficient to
25 pay the principal of and interest on the bonds that mature or become
26 due during the fiscal year, including an amount sufficient to make
27 payments under a related bond enhancement agreement.

1 SECTION 3. (a) The constitutional amendment proposed by
2 Section 1 of this resolution shall be submitted to the voters at an
3 election to be held November 6, 2007. The ballot shall be printed
4 to permit voting for or against the proposition: "The
5 constitutional amendment authorizing the issuance of state general
6 obligation bonds to stimulate economic development and reduce
7 greenhouse gases by providing and guaranteeing loans to encourage
8 the use of carbon-free hydrogen energy."

9 (b) The constitutional amendment proposed by Section 2 of
10 this resolution shall be submitted to the voters at an election to
11 be held November 6, 2007. The ballot shall be printed to permit
12 voting for or against the proposition: "The constitutional
13 amendment authorizing the issuance of general obligation bonds to
14 provide and guarantee loans to encourage clean energy projects."

15 (c) The resolutions described by Subsections (a) and (b) of
16 this section shall be submitted separately to the voters at the
17 election. The failure of either resolution to be approved by the
18 voters at the election does not affect the approval of the other
19 resolution.