# **BILL ANALYSIS**

H.B. 629 By: Anchia Energy Resources Committee Report (Unamended)

## BACKGROUND AND PURPOSE

Texas leads the nation in  $CO_2$  emissions, also known as greenhouse gases, which contribute to the problem of climate change. Additionally, Texas has three nonattainment regions which are characterized by the U.S. Environmental Protection Agency as having unsafe levels of ground-level ozone. Nitrogen oxide emissions from vehicles can react with oxygen to create ozone, which exacerbates the problem. Fortunately, new technology in transportation, including plug-in hybrids, is becoming available to provide for cleaner vehicles.

However, many of the companies with this new vehicle technology are not ready for mass production. As one of the largest owners of vehicle fleets in Texas, the state government can provide support to this burgeoning industry by pledging to purchase these cleaner-burning vehicles once they become cost effective to the state.

The purpose of H.B. 629 is to increase air quality, while cutting state expenditures on fuel costs, by promoting the use of plug-in hybrid vehicles by state agencies. The bill prohibits a state agency from purchasing a vehicle other than a plug-in hybrid electric vehicle, unless the cost is determined to be prohibitive.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

## ANALYSIS

H.B. 629 amends the Government Code to define a "plug-in hybrid electric vehicle" as a vehicle that is powered by both an internal combustion engine and an electric motor supplied by batteries that can be charged from an external electrical outlet. The bill prohibits a state agency from purchasing a vehicle unless the vehicle is a plug-in hybrid electric vehicle. The bill makes the prohibition inapplicable if the state agency determines that the cost over a five-year period to purchase and operate a plug-in hybrid electric vehicle of the type required by the agency is greater than the cost over a five-year period to purchase and operate a similar vehicle that is not a plug-in hybrid electric vehicle.

#### EFFECTIVE DATE

September 1, 2009.