

BILL ANALYSIS

C.S.H.B. 4346
By: Chisum
Environmental Regulation
Committee Report (Substituted)

BACKGROUND AND PURPOSE

C.S.H.B. 4346 requires the Comptroller of Public Accounts (comptroller) to identify cost-effective ways to reduce greenhouse gas emissions. Commonly known as the "no regrets" approach, this bill seeks to realize the economic benefits, cost savings to businesses and consumers, and environmental benefits of identifying and placing top priority on no-cost and cost saving greenhouse gas reduction strategies.

C.S.H.B. 4346 requires the comptroller to develop and present a report to the legislature by December 31, 2010, that outlines strategies to reduce greenhouse gas emissions that, over the lifetime of the strategy, will result in no financial cost to businesses and consumers of the state.

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

SECTION 1. Amends Chapter 2305, Government Code, by adding Section 2305.201. STRATEGIES TO REDUCE EMISSIONS OF GREENHOUSE GASES. (a) Defines "greenhouse gas."

(b) Requires the Comptroller of Public Accounts (comptroller) to prepare and deliver to each member of the legislature, not later than December 31, 2010, a report including a list of strategies for reducing emissions of greenhouse gases in this state that shall result in net savings for consumers or businesses in this state, can be achieved without financial cost to consumers or businesses in this state, or help businesses in the state maintain global competitiveness.

(c) Requires the comptroller, in preparing the list of emission reduction strategies, to consider the strategies for reducing the emissions of greenhouse gases that have been implemented in other states or nations.

(d) Requires the comptroller, in determining under subsection (b) whether an emission reduction strategy may result in a financial cost to consumers or businesses in this state, to consider the total net costs that may occur over the life of the strategy.

(e) Requires that a report prepared under subsection (b) include the following information for each identified strategy: initial, short-term capital costs that may result from the implementation of the strategy delineated by the costs to business and the costs to consumers; and lifetime costs and savings that may result from the implementation of the strategy delineated by the costs and savings to business and the costs and savings to consumers.

(f) Requires the comptroller to appoint one or more advisory committees to assist in identifying and evaluating greenhouse gas emission reduction strategies. Requires that at least one representative from the Texas Railroad Commission (RRC), the Texas Commission on Environmental Quality (TCEQ), the Texas Department of Agriculture

(TDA), the General Land Office (GLO) and a Texas institution of higher education serve on the advisory committee or committees.

(g) Authorizes the comptroller to enter into an interagency agreement with TCEQ or other state agency for technical advice or assistance as necessary to complete the requirements of this subsection.

SECTION 2. Effective date.

EFFECTIVE DATE

September 1, 2009.

COMPARISON OF ORIGINAL TO SUBSTITUTE

SECTION 1. C.H.S.B. 4346 differs from the original by amending Chapter 2305, Government Code, by adding Section 2305.201. STRATEGIES TO REDUCE EMISSIONS OF GREENHOUSE GASES, rather than amending Subchapter B, Chapter 382, Health and Safety Code, by adding Section 382.0174. EMISSION REDUCTION STRATEGIES FOR GREENHOUSE GASES.

The substitute differs from the original in Section 2305.201 by requiring the comptroller, rather than the commission, to perform the duties required under Section 2305.201. The substitute differs from the original in Section 2305.201(b) by providing that, not later than December 31, 2010, rather than December 31, 2009, the comptroller, rather than the commission, shall prepare and deliver the required report. The substitute differs from the original in Section 2305.201(b)(1) by requiring, rather than allowing, the strategies to result in net savings for consumers or businesses in this state and by adding a new Section 2305.201(b)(3) to provide the strategies may help businesses in the state maintain global competitiveness.

The substitute differs from the original in Section 2305.201(d) by omitting language from the original regarding short-term capital costs.

The substitute differs from the original by adding a new Section 2305.201(e) and re-lettering the following subsections accordingly. Section 2305.201(e) requires each report prepared under subsection (b) to include, for each identified strategy, initial, short-term capital costs that may result from the implementation of the strategy delineated by the costs both to business to consumers; and lifetime costs and savings that may result from the implementation of the strategy delineated by the costs both to business to consumers.

The substitute differs from the original by adding Section 2305.201(f) that requires the comptroller to appoint one or more advisory committees and requires that at least one representative each from RRC, TCEQ, TDA, GLO and a Texas institution of higher education serve on the advisory committee or committees. The original contained language that permitted the appointment of advisory committees.

The substitute differs from the original by adding Section 2305.201 (g) to provide that the comptroller may enter into an interagency agreement with TCEQ or other state agency for technical advice or assistance to complete the requirements of Section 2305.201.

SECTION 2. No change from the original.