

By: Deshotel

H.B. No. 1777

A BILL TO BE ENTITLED

AN ACT

relating to a loan program to encourage the use of cleaner hydrogen fuel; providing for the issuance of bonds.

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

SECTION 1. Chapter 447, Government Code, is amended by adding Section 447.014 to read as follows:

Sec. 447.014. CLEANER HYDROGEN FUEL LOAN PROGRAM. (a) The state energy conservation office shall establish and administer a program to make and guarantee loans to business entities, state agencies, institutions of higher education, and political subdivisions of this state for projects related to the manufacture, storage, distribution, or sale in this state of hydrogen as a fuel source.

(b) The state energy conservation office shall prioritize program funding and the program applications process so that, in determining eligibility for a loan or guarantee under the program and in determining the amount of a loan or guarantee to be provided under the program, the program favors projects:

(1) related to the manufacture of hydrogen fuel by processes that result in the least emissions of greenhouse gases per unit of hydrogen fuel produced; or

(2) related to the storage, distribution, or sale of hydrogen produced by processes that result in the least emissions of greenhouse gases per unit of hydrogen fuel produced.

1 (c) The Texas Public Finance Authority shall issue general
2 obligation bonds in an aggregate amount not to exceed \$250 million
3 as authorized by Section 49-g, Article III, Texas Constitution, for
4 the purposes of the program.

5 (d) The program may be funded by:

6 (1) the proceeds of bonds issued under Subsection (c);

7 or

8 (2) gifts, grants, and donations made for the purposes
9 of the program.

10 (e) The comptroller may adopt rules to implement this
11 section.

12 SECTION 2. The state energy conservation office shall
13 establish a program under Section 447.014, Government Code, as
14 added by this Act, not later than January 1, 2010.

15 SECTION 3. This Act takes effect only if the constitutional
16 amendment proposed by the 81st Legislature, Regular Session, 2009,
17 authorizing the issuance of state general obligation bonds to
18 stimulate economic development by providing and guaranteeing loans
19 to encourage the use of hydrogen as a cleaner fuel source is
20 approved by the voters. If that amendment is not approved by the
21 voters, this Act has no effect.