

By: Hancock

H.J.R. No. 123

Substitute the following for H.J.R. No. 123:

By: Gonzalez Toureilles

C.S.H.J.R. No. 123

A JOINT RESOLUTION

1 proposing a constitutional amendment authorizing the issuance of
2 general obligation bonds to provide and guarantee loans to
3 encourage clean energy projects.

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

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

7 Sec. 49-q. (a) For purposes of this section:

8 (1) "Advanced clean energy project" means a project
9 for which an application for a permit or for an authorization to use
10 a standard permit to emit air contaminants is received by the Texas
11 Commission on Environmental Quality or its successor on or after
12 January 1, 2008, and before January 1, 2020, and that:

13 (A) involves the use of coal, biomass, petroleum
14 coke, solid waste, or fuel cells using hydrogen derived from such
15 fuels, in the generation of electricity, or the creation of liquid
16 fuels outside of the existing fuel production infrastructure while
17 co-generating electricity, whether the project is implemented in
18 connection with the construction of a new facility or in connection
19 with the modification of an existing facility and whether the
20 project involves the entire emissions stream from the facility or
21 only a portion of the emissions stream from the facility;

22 (B) with regard to the portion of the emissions
23 stream from the facility that is associated with the project, is
24 capable of achieving on an annual basis a 99 percent or greater

1 reduction of sulfur dioxide emissions and a 95 percent or greater
2 reduction of mercury emissions and achieving an annual average
3 emission rate for nitrogen oxides of 0.05 pounds or less per million
4 British thermal units; and

5 (C) captures not less than 50 percent of the
6 carbon dioxide in the portion of the emissions stream from the
7 facility that is associated with the project and sequesters that
8 captured carbon dioxide by geologic storage or other means.

9 (2) "New technology" means emissions control
10 technology that results in emissions reductions that exceed federal
11 requirements.

12 (3) "New technology project" means a project based on
13 new technology that reduces emissions of regulated pollutants from
14 point sources and that involves capital expenditures that exceed
15 \$500 million.

16 (b) To provide and guarantee loans to encourage clean energy
17 projects in this state, the legislature by general law may
18 authorize the Texas Public Finance Authority or its successor to
19 issue general obligation bonds of the State of Texas in an amount
20 not to exceed \$300 million and to enter into related credit
21 enhancement agreements. The proceeds from the sale of the bonds may
22 be used only to make and guarantee loans to business entities for
23 the following types of clean energy projects in this state:

24 (1) advanced clean energy projects;

25 (2) new technology projects; and

26 (3) electricity storage projects related to renewable
27 energy.

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

9 SECTION 2. This proposed constitutional amendment shall be
10 submitted to the voters at an election to be held November 3, 2009.
11 The ballot shall be printed to permit voting for or against the
12 proposition: "The constitutional amendment authorizing the
13 issuance of general obligation bonds to provide and guarantee loans
14 to encourage advanced clean energy projects, new technology
15 projects, and electricity storage projects related to renewable
16 energy."