

BILL ANALYSIS

C.S.H.B. 1145
By: Geren
Environmental Regulation
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The city of Houston has established a network to monitor the overall air quality in the Houston-Galveston-Brazoria area that measures regulated pollutants and provides data to the general public, industry, local governments, and the state. C.S.H.B. 1145 establishes a similar network for the Dallas-Fort Worth area by revising the allocation of the Texas emissions reduction plan.

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

C.S.H.B. 1145 amends the Health and Safety Code to expand the programs for which the Texas Commission on Environmental Quality (TCEQ) and the comptroller of public accounts, under the Texas emissions reduction plan, must provide grants or other funding to include the air quality research support program, the regional air monitoring program established for certain regions, a health effects study, air quality planning activities, and a contract with the Energy Systems Laboratory at the Texas Engineering Experiment Station for computation of creditable statewide emissions reductions. The bill removes the new technology research and development program as a program eligible for such funding.

C.S.H.B. 1145 reenacts and amends Section 386.252(a), Health and Safety Code, as amended by Chapters 1125 (H.B. 1796) and 1232 (S.B. 1759), Acts of the 81st Legislature, Regular Session, 2009, to revise the allocation formula for the Texas emissions reduction plan fund and specifies that the allocation of the fund applies to the total appropriation of the fund. The bill removes a requirement that 87.5 percent of the fund be allocated to the diesel emissions reduction incentive program and instead requires the balance of the fund to be allocated for the diesel emissions reduction incentive program. The bill requires not more than \$7 million in 2012 and 2013 and not more than \$3 million in 2014 and in subsequent years to be allocated from the emissions reduction plan fund for a regional air monitoring program in TCEQ Regions 3 and 4 implemented under the commission's oversight, which includes specified direction.

C.S.H.B. 1145 requires a specified amount from the fund each year to be allocated to support research related to air quality, rather than requiring an allocation of not less than 20 percent of the nine percent of the money in the fund allocated for the new technology research and development program for that purpose. The bill removes a provision requiring nine percent of the money in the fund to be allocated to the new technology research and development program and removes provisions allocating funds to that program for certain purposes.

C.S.H.B. 1145 specifies that the allocation to be deposited from the fund in the state treasury to the credit of the clean air account to supplement air quality planning activities in affected counties is an amount up to \$500,000, rather than \$500,000. The bill specifies that the allocation to TCEQ to contract with the Energy Systems Laboratory at the Texas Engineering Experiment

Station for a project relating to certain creditable statewide emissions reductions is an amount not more than \$216,000, rather than \$216,000. The bill requires not more than \$3.4 million, rather than two percent of the money in the fund, to be allocated to TCEQ for administrative costs. The bill redefines "program" and makes conforming and nonsubstantive changes.

C.S.H.B. 1145 redesignates Section 387.010, Health and Safety Code, as Section 387.002, Health and Safety Code, and makes conforming changes.

C.S.H.B. 1145 amends the Government Code to remove a provision authorizing TCEQ to use information relating to certain fuel-saving technologies to fund the United States Environmental Protection Agency verification of a technology.

C.S.H.B. 1145 establishes that, to the extent of any conflict, the bill's provisions prevail over another Act of the 82nd Legislature, Regular Session, 2011, relating to nonsubstantive additions to and corrections in existing codes.

C.S.H.B. 1145 repeals the following sections of the Health and Safety Code relating to the new technology research and development program:

- Section 387.003
- Section 387.004
- Section 387.005
- Section 387.006
- Section 387.007

EFFECTIVE DATE

September 1, 2011.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 1145 contains provisions not included in the original expanding the programs for which the Texas Commission on Environmental Quality (TCEQ) and the comptroller of public accounts, under the Texas emissions reduction plan, must provide grants or other funding.

C.S.H.B. 1145 differs from the original by specifying that the allocation of the Texas emissions reduction plan fund applies to the total appropriation of the fund. The substitute differs from the original by removing a requirement that 87.5 percent of the money in the fund be allocated for the diesel emissions reduction incentive program and a requirement that nine percent of the money in the fund be allocated to the new technology research and development program, whereas the original retains such requirements. The substitute contains a provision not included in the original allocating the balance of the fund to TCEQ for the diesel emissions reduction incentive program. The substitute differs from the original by setting the required allocation for a regional air monitoring program in TCEQ Regions 3 and 4 at not more than \$7 million in 2012 and 2013 and not more than \$3 million in 2014 and in subsequent years, whereas the original sets the required allocation for these regions at not less than \$3 million or more than \$7 million in 2012 and 2013 and not less than \$1 million or more than \$3 million in subsequent years. The substitute contains provisions not included in the original specifying certain directions in the commission's oversight of the implementation of the regional air monitoring programs. The substitute differs from the original by specifying that the allocation to be deposited from the fund in the state treasury to the credit of the clean air account to supplement air quality planning activities in affected counties is an amount up to \$500,000, rather than \$500,000 as in the original. The substitute differs from the original by specifying that the allocation to TCEQ to contract with the Energy Systems Laboratory at the Texas Engineering Experiment Station for a

project relating to certain creditable statewide emissions reductions is an amount not more than \$216,000, rather than \$216,000 as in the original.

C.S.H.B. 1145 differs from the original by requiring a specified amount each year to be allocated to support research related to air quality, whereas the original requires that not less than 20 percent of the nine percent of the money in the fund allocated for the new technology research and development program to be allocated to support air quality research. The substitute differs from the original by removing the requirement that the balance of the nine percent of the money in the fund allocated for the new technology research and development program be used to implement and administer the program for certain purposes, whereas the original retains this allocation. The substitute differs from the original by setting a maximum allocation for TCEQ's administrative costs at \$3.4 million, rather than two percent of the balance of the fund as in the original.

C.S.H.B. 1145 contains a provision not included in the original redefining "program." The substitute contains a provision not included in the original redesignating Section 387.010, Health and Safety Code, as Section 387.002, Health and Safety Code, and amending it to make conforming changes. The substitute contains a provision not included in the original removing a provision authorizing TCEQ to use information relating to certain fuel-saving technologies to fund the United States Environmental Protection Agency verification of a technology.

C.S.H.B. 1145 contains transition, controlling, and conforming provisions not included in the original.

C.S.H.B. 1145 contains provisions not included in the original repealing certain sections of the Health and Safety Code relating to the new technology research and development program.