

BILL ANALYSIS

Senate Research Center
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H.B. 2077
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Natural Resources
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Churches and other community-based organizations, often the last lifeline in the state's social safety net for many vulnerable Texans, are dependent upon the charitable giving of their members. Like Texas families and the state budget, charitable entities have suffered in this current economic recession. Given the possibility of massive cuts in the state's social services, houses of worship that are already feeling the economic difficulties of the recession will likely be called upon to assist those in dire need.

Utility bills are one of the largest line items in a church or community-based organization's budget because these organization often operate out of large, old, and inefficient buildings. Energy efficiency measures on these buildings could lower utility bills, leaving savings for other operations. However, the organizations often lack the capital required to make such energy efficient investments. The loanstar revolving loan program funds projects that provide a long-term reduction in utility bills but is not available to private facilities. Allowing churches and community-based organization to be included under the loanstar program could provide extra money to the charitable organizations for providing benefits to the communities they serve.

H.B. 2077 seeks to promote the use of energy efficiency measures and renewable energy technology by nonprofit organizations by creating a pilot program to make certain nonprofit organizations eligible for loanstar revolving loan funds.

H.B. 2077 amends current law relating to a pilot program under the loanstar revolving loan program to promote the use of energy efficiency measures and renewable energy technology by certain nonprofit organizations.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter D, Chapter 2305, Government Code, by adding Section 2305.0322, as follows:

Sec. 2305.0322. PILOT REVOLVING LOAN PROGRAM FOR ENERGY EFFICIENCY MEASURES AND RENEWABLE ENERGY TECHNOLOGY BY CERTAIN NONPROFIT ORGANIZATIONS. (a) Provides that the legislature finds that promoting the implementation of energy efficiency measures and renewable energy technology is necessary to protect the public health and environment of this state and that the up-front cost of implementing those improvements often prevents some in the private sector, especially certain nonprofit organizations, from making the improvements. Provides that, to make the implementation of energy efficiency measures and renewable energy technology by certain nonprofit organizations more affordable, it is necessary to provide alternative means of financing those improvements. Provides that therefore, the legislature finds that a public purpose will be served by establishing a pilot program that provides loans to community-based organizations and houses of worship to finance the

implementation of energy efficiency measures and renewable energy technology in the buildings owned and operated by those organizations.

(b) Defines, in this section, "community-based organization," "energy efficiency," "house of worship," "pilot program," and "renewable energy technology."

(c) Requires the state energy conservation office (SECO), notwithstanding the requirement that SECO provide loans under the loanstar revolving loan program to finance energy and water efficiency measures for public facilities, to establish and administer a pilot program under the loanstar revolving loan program established under Section 2305.032 (Loanstar Revolving Loan Program) to provide loans to houses of worship and community-based organizations to finance the implementation of energy efficiency measures and renewable energy technology in buildings owned or operated by those organizations.

(d) Requires SECO, not later than January 1 of each year, to submit a report to the legislature that includes:

(1) a brief description of the implementation and status of the pilot program, the energy efficiency measures or renewable energy technologies financed under the pilot program, and the energy saved and clean energy produced as a result of implementing energy efficiency measures or renewable energy technologies financed under the program;

(2) recommendations for addressing any challenges or obstacles encountered in financing the implementation of energy efficiency measures and renewable energy technologies under the pilot program; and

(3) any additional information SECO determines necessary.

(e) Provides that this section expires December 31, 2015.

SECTION 2. Requires SECO to establish the pilot program required under Section 2305.0322, Government Code, as added by this Act, not later than March 1, 2012.

SECTION 3. Effective date: upon passage or September 1, 2011.