

BILL ANALYSIS

C.S.H.B. 1115
By: Raney
Environmental Regulation
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Recently enacted legislation established an alternative fueling facilities program to provide grants for the construction of natural gas vehicle fueling stations. The Texas Commission on Environmental Quality currently awards grants to stations located along interstate highways connecting Houston, San Antonio, Dallas, and Fort Worth, commonly referred to as the Clean Transportation Triangle. C.S.H.B. 1115 seeks to expand the eligibility for the program by also including the state highways and United States highways located within the triangle.

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. 1115 amends the Health and Safety Code, in provisions relating to the Texas natural gas vehicle grant program, to require the Texas Commission on Environmental Quality (TCEQ) to award grants to support the development of a network of natural gas vehicle fueling stations along the state highway system or a United States highway in counties contained wholly or partly in the triangular area of interstate highways connecting Houston, San Antonio, Dallas, and Fort Worth, in addition to grants to support such development along such interstate highways.

C.S.H.B. 1115 requires an application for a vehicle fueling station grant to contain a certification that the applicant is in compliance with all laws, rules, and requirements regarding taxation of fuel provided by the applicant at any fueling facility owned or operated by the applicant existing at the time the application was filed. The bill authorizes TCEQ to terminate an awarded grant without further obligation to the grant recipient if TCEQ determines that the recipient was not in compliance with such a law, rule, or requirement at the time of application. The bill specifies that this provision does not create a cause of action to contest an application or award of a grant.

C.S.H.B. 1115 repeals Chapter 393, Health and Safety Code, as added by Chapter 589 (S.B. 20), Acts of the 82nd Legislature, Regular Session, 2011.

EFFECTIVE DATE

September 1, 2013.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 1115 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and highlighted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Section 394.005(c), Health and Safety Code, as added by Chapter 892 (S.B. 385), Acts of the 82nd Legislature, Regular Session, 2011, is amended.

SECTION 2. Section 394.010, Health and Safety Code, is amended by amending Subsections (a) and (d) and adding Subsections (a-1) and (a-2) to read as follows:

(a) In this section, "state highway system" means the highways in this state included in the plan providing for a system of state highways prepared by the executive director of the Texas Department of Transportation under Section 201.103, Transportation Code.

(a-1) To ensure that natural gas vehicles purchased, leased, or otherwise commercially financed or repowered under the program have access to fuel, and to build the foundation for a self-sustaining market for natural gas vehicles in Texas, the commission shall award grants to support the development of a network of natural gas vehicle fueling stations:

- (1) along the interstate highways connecting Houston, San Antonio, Dallas, and Fort Worth; and
- (2) along the state highway system in counties contained wholly or partly in the triangular area described by Subdivision (1).

(a-2) In awarding the grants, the commission shall provide for:

- (1) strategically placed natural gas vehicle fueling stations in and between the Houston, San Antonio, and Dallas-Fort Worth areas to enable a natural gas vehicle to travel in [~~along~~] that triangular area relying solely on natural gas fuel;
- (2) grants to be dispersed through a competitive bidding process to offset a portion of the cost of installation of the natural gas dispensing equipment;

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Same as introduced version.

SECTION 2. Section 394.010, Health and Safety Code, is amended by amending Subsections (a) and (d) and adding Subsections (a-1), (a-2), (h), and (i) to read as follows:

(a) In this section:

(1) "State highway system" means the highways in this state included in the plan providing for a system of state highways prepared by the executive director of the Texas Department of Transportation under Section 201.103, Transportation Code.

(2) "United States highway" means a highway designated as part of the United States highway system by the American Association of State Highways and Transportation Officials.

(a-1) To ensure that natural gas vehicles purchased, leased, or otherwise commercially financed or repowered under the program have access to fuel, and to build the foundation for a self-sustaining market for natural gas vehicles in Texas, the commission shall award grants to support the development of a network of natural gas vehicle fueling stations:

- (1) along the interstate highways connecting Houston, San Antonio, Dallas, and Fort Worth; and
- (2) along the state highway system or a United States highway in counties contained wholly or partly in the triangular area described by Subdivision (1).

(a-2) In awarding the grants, the commission shall provide for:

- (1) strategically placed natural gas vehicle fueling stations in and between the Houston, San Antonio, and Dallas-Fort Worth areas to enable a natural gas vehicle to travel in [~~along~~] that triangular area relying solely on natural gas fuel;
- (2) grants to be dispersed through a competitive bidding process to offset a portion of the cost of installation of the natural gas dispensing equipment;

(3) contracts that require the recipient stations to meet operational, maintenance, and reporting requirements as specified by the commission; and

(4) a listing, to be maintained by the commission and made available to the public online, of all natural gas vehicle fueling stations that have received grant funding, including location and hours of operation.

(d) Stations funded by grants under this section must be publicly accessible and located not more than three miles from a highway designated as part of the state highway system or an interstate highway system. The commission shall give preference to:

(1) stations providing both liquefied natural gas and compressed natural gas at a single location; and

(2) stations located not more than one mile from a highway designated as part of:

(A) the state highway system; or

(B) an interstate highway system.

(3) contracts that require the recipient stations to meet operational, maintenance, and reporting requirements as specified by the commission; and

(4) a listing, to be maintained by the commission and made available to the public online, of all natural gas vehicle fueling stations that have received grant funding, including location and hours of operation.

(d) Stations funded by grants under this section must be publicly accessible and located not more than three miles from a highway designated as part of the state highway system, a United States highway, or an interstate highway system. The commission shall give preference to:

(1) stations providing both liquefied natural gas and compressed natural gas at a single location; and

(2) stations located not more than one mile from a highway designated as part of:

(A) the state highway system;

(B) a United States highway; or

(C) an interstate highway system.

(h) An application for a grant under this section must contain a certification that the applicant is in compliance with all laws, rules, and requirements regarding taxation of fuel provided by the applicant at any fueling facility owned or operated by the applicant existing at the time the application was filed.

(i) The commission may terminate a grant awarded under this section without further obligation to the grant recipient if the commission determines that the recipient was not in compliance with a law, rule, or requirement described by Subsection (h) at the time of application. This subsection does not create a cause of action to contest an application or award of a grant.

SECTION 3. Chapter 393, Health and Safety Code, as added by Chapter 589 (S.B. 20), Acts of the 82nd Legislature, Regular Session, 2011, is repealed.

SECTION 3. Same as introduced version.

SECTION 4. This Act takes effect September 1, 2013.

SECTION 4. Same as introduced version.