Amend HB 2802 (house committee report) as follows:

(1) On page 5, line 8, strike "<u>and</u>".

(2) On page 5, line 10, between "<u>Safety</u>" and the period, insert the following:

; and

(21) a contract with the Texas A&M Transportation Institute to conduct a study as provided by Section 386.252(a)

(3) Add the following appropriately numbered SECTION to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION ____. Section 386.252(a), Health and Safety Code, is amended to read as follows:

(a) Money in the fund may be used only to implement and administer programs established under the plan. Subject to the reallocation of funds by the commission under Subsection (h), money appropriated to the commission to be used for the programs under Section 386.051(b) shall initially be allocated as follows:

(1) four percent may be used for the clean school busprogram under Chapter 390;

(2) three percent may be used for the new technology implementation grant program under Chapter 391, from which at least\$1 million will be set aside for electricity storage projects related to renewable energy;

(3) five percent may be used for the <u>Texas</u> clean fleet program under Chapter 392;

(4) not more than \$3 million may be used by the commission to fund a regional air monitoring program in commission Regions 3 and 4 to be implemented under the commission's oversight, including direction regarding the type, number, location, and operation of, and data validation practices for, monitors funded by the program through a regional nonprofit entity located in North Texas having representation from counties, municipalities, higher education institutions, and private sector interests across the area;

(5) 10 percent may be used for the Texas natural gasvehicle grant program under Chapter 394;

(6) not more than \$6 million may be used for the Texas alternative fueling facilities program under Chapter 393, of which

1

a specified amount may be used for fueling stations to provide natural gas fuel, except that money may not be allocated for the Texas alternative fueling facilities program for the state fiscal year ending August 31, 2019;

(7) not more than \$750,000 may be used each year to support research related to air quality as provided by Chapter 387;

(8) not more than \$200,000 may be used for a health effects study;

(9) at least \$6 million but not more than \$8 million is allocated to the commission for administrative costs, including all direct and indirect costs for administering the plan, costs for conducting outreach and education activities, and costs attributable to the review or approval of applications for marketable emissions reduction credits;

(10) six percent may be used by the commission for the seaport and rail yard areas emissions reduction program established under Subchapter D-1;

(11) five percent may be used for the light-duty motor vehicle purchase or lease incentive program established under Subchapter D;

(12) not more than \$216,000 is allocated to the commission to contract with the Energy Systems Laboratory at the Texas A&M Engineering Experiment Station annually for the development and annual computation of creditable statewide emissions reductions obtained through wind and other renewable energy resources for the state implementation plan;

(13) not more than \$500,000 may be used for studies of or pilot programs for incentives for port authorities located in nonattainment areas or affected counties to encourage cargo movement that reduces emissions of nitrogen oxides and particulate matter; [and]

(14) <u>not more than \$250,000 shall be allocated to the</u> <u>commission to contract with the Texas A&M Transportation Institute</u> <u>to conduct a study to evaluate the relationship between traffic</u> <u>congestion and ozone precursors and to identify effective</u> <u>strategies in reducing nitrogen oxide emissions from</u> <u>transportation sources; and</u>

2

(15) the balance is to be used by the commission for the diesel emissions reduction incentive program under Subchapter C as determined by the commission.