By:  Guillen H.B. No. 3802

A BILL TO BE ENTITLED

AN ACT

relating to the creation of a zero-emissions vehicle program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1.  CHAPTER 386, HEALTH AND SAFETY CODE, is amended by adding Subchapter G. ZERO EMISSION VEHICLE PROGRAM to read as follows:

SUBCHAPTER G. ZERO EMISSION VEHICLE PROGRAM

Sec. 386.301.  DEFINITIONS.

In this subchapter:

(1)  "Program" means the zero-emission vehicle program established under this subchapter.

(2)  "Retrofit" means to equip an exhaust system with new emissions-reducing parts or technology verified by the United States Environmental Protection Agency after manufacture of the original engine and fuel system.

(3)  "Zero emission vehicle" is defined as a vehicle that produces no more than 2% pollutants; Carbon Dioxide, Carbon Monoxide, Nitrogen dioxide, Sulfur Dioxide emitted as emissions from its tailpipe, as determined by the Commission.

(4)  "Governmental entity" has the meaning assigned to Section 2252.001(2), Government Code.

Sec. 386.002.  PROGRAM.

(a)  The commission shall establish and administer a zero-emissions vehicle program designed to reduce the total volume of emissions expelled from vehicle tailpipes in Texas. Under the program, the commission shall provide grants for eligible projects to offset the incremental cost of projects that lead to the creation, through retrofitting or modification of existing vehicles, of additional zero emission vehicles as defined under this chapter.

(b)  Projects that may be considered for a grant under the program include:

(1)  the purchase and use of emission reducing add-on equipment for vehicles, including devices that reduce tailpipe emissions;

(2)  the cost retrofitting of vehicles operated by state, county, or municipal with equipment to convert them to zero emission vehicles; and

(3)  other technologies that the commission finds will facilitate the conversion of vehicles into zero emission vehicles under this subchapter.

Sec. 386.003.  APPLICATION FOR GRANT. (a) A government entity in this state that operates one or more vehicles may apply for and receive a grant under the program.

(b)  The commission may adopt guidelines to allow a regional planning commission, council of governments, or similar regional planning agency created under Chapter 391, Local Government Code, or a private nonprofit organization to also apply for and receive a grant to improve the ability of the program to achieve its goals.

(c)  An application for a grant under this chapter must be made on a form provided by the commission and must contain the information required by the commission.

Sec. 386.004.  ELIGIBILITY OF PROJECTS FOR GRANTS. (a) The commission by rule shall establish criteria for setting priorities for projects eligible to receive grants under this chapter. The commission shall review and may modify the criteria and priorities as appropriate.

(b)  A vehicle proposed for retrofit must be used by a government entity, or other eligible entity as defined under 386.003(b) of this subchapter, have at least five years of useful life remaining unless the applicant agrees to remove the retrofit device at the end of the life of the vehicle and reinstall the device on another vehicle, where applicable.

(c)  A vehicle proposed for retrofitting must:

(1)  be of model year 2006 or earlier;

(2)  have been owned or leased and operated by the applicant for at least the two years before submission of the grant application;

(3)  be in good operational condition; and

(4)  be currently used no less than once a month by the applicant.

Sec. 386.005.  RESTRICTION ON USE OF GRANT. (a) A recipient of a grant under this chapter shall use the grant to pay the incremental costs of the project for which the grant is made, which may include the reasonable and necessary expenses incurred for the labor needed to install emissions eliminating equipment. The recipient may not use the grant to pay the recipient's administrative expenses.

(b)  A vehicle acquired to replace an existing vehicle must be purchased and the grant recipient must agree to own and operate the vehicle no less than once a month for at least five years after a start date established by the commission, based on the date the commission accepts documentation of the permanent destruction or permanent removal of the vehicle being replaced.

(c)  A vehicle replaced under this program must be rendered permanently inoperable by crushing the vehicle, by making a hole in the engine block and permanently destroying the frame of the vehicle, or by another method approved by the commission, or be permanently removed from operation in this state. The commission shall establish criteria for ensuring the permanent destruction or permanent removal of the engine or vehicle. The commission shall enforce the destruction and removal requirements.

(d)  In this section, "permanent removal" means the permanent export of a vehicle or the engine of a vehicle to a destination outside of the United States, Canada, or the United Mexican States.

SECTION 2.  This Act takes effect on Sept. 1, 2019.