

By: Menéndez

S.B. No. 765

A BILL TO BE ENTITLED

AN ACT

relating to programs that can be established and funded under the Texas emissions reduction plan.

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

SECTION 1. Section 386.051(b), Health and Safety Code, is amended to read as follows:

(b) Under the plan, the commission and the comptroller shall provide grants or other funding for:

(1) the diesel emissions reduction incentive program established under Subchapter C, including for infrastructure projects established under that subchapter;

(2) the motor vehicle purchase or lease incentive program established under Subchapter D;

(3) the air quality research support program established under Chapter 387;

(4) the clean school bus program established under Chapter 390;

(5) the new technology implementation grant program established under Chapter 391;

(6) the regional air monitoring program established under Section 386.252(a);

(7) a health effects study as provided by Section 386.252(a);

(8) air quality planning activities as provided by

1 Section 386.252(d);

2 (9) a contract with the Energy Systems Laboratory at  
3 the Texas A&M Engineering Experiment Station for computation of  
4 creditable statewide emissions reductions as provided by Section  
5 386.252(a);

6 (10) the clean fleet program established under Chapter  
7 392;

8 (11) the alternative fueling facilities program  
9 established under Chapter 393;

10 (12) the natural gas vehicle grant program established  
11 under Chapter 394;

12 (13) other programs the commission may develop that  
13 lead to reduced emissions of nitrogen oxides, particulate matter,  
14 or volatile organic compounds in a nonattainment area or affected  
15 county;

16 (14) other programs the commission may develop that  
17 support congestion mitigation to reduce mobile source ozone  
18 precursor emissions;

19 (15) the seaport and rail yard areas emissions  
20 reduction program established under Subchapter D-1;

21 (16) conducting research and other activities  
22 associated with making any necessary demonstrations to the United  
23 States Environmental Protection Agency to account for the impact of  
24 foreign emissions or an exceptional event;

25 (17) studies of or pilot programs for incentives for  
26 port authorities located in nonattainment areas or affected  
27 counties as provided by Section 386.252(a); ~~and~~

1 (18) the governmental alternative fuel fleet grant  
2 program established under Chapter 395; and

3 (19) projects that reduce emissions through  
4 improvements in energy production efficiency using supercritical  
5 carbon dioxide.

6 SECTION 2. Section 386.252(a), Health and Safety Code, is  
7 amended to read as follows:

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

13 (1) four percent may be used for the clean school bus  
14 program under Chapter 390;

15 (2) three percent may be used for the new technology  
16 implementation grant program under Chapter 391, from which at least  
17 \$1 million will be set aside for electricity storage projects  
18 related to renewable energy;

19 (3) five percent may be used for the clean fleet  
20 program under Chapter 392;

21 (4) not more than \$3 million may be used by the  
22 commission to fund a regional air monitoring program in commission  
23 Regions 3 and 4 to be implemented under the commission's oversight,  
24 including direction regarding the type, number, location, and  
25 operation of, and data validation practices for, monitors funded by  
26 the program through a regional nonprofit entity located in North  
27 Texas having representation from counties, municipalities, higher

1 education institutions, and private sector interests across the  
2 area;

3 (5) 10 percent may be used for the Texas natural gas  
4 vehicle grant program under Chapter 394;

5 (6) not more than \$6 million may be used for the Texas  
6 alternative fueling facilities program under Chapter 393, of which  
7 a specified amount may be used for fueling stations to provide  
8 natural gas fuel, except that money may not be allocated for the  
9 Texas alternative fueling facilities program for the state fiscal  
10 year ending August 31, 2019;

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

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

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

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

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

27 (12) not more than \$216,000 is allocated to the

1 commission to contract with the Energy Systems Laboratory at the  
2 Texas A&M Engineering Experiment Station annually for the  
3 development and annual computation of creditable statewide  
4 emissions reductions obtained through wind and other renewable  
5 energy resources for the state implementation plan;

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

11 (14) the balance is to be used by the commission for:

12 (A) the diesel emissions reduction incentive  
13 program under Subchapter C as determined by the commission; and

14 (B) projects that reduce emissions through  
15 improvements in energy production efficiency using supercritical  
16 carbon dioxide.

17 SECTION 3. This Act takes effect immediately if it receives  
18 a vote of two-thirds of all the members elected to each house, as  
19 provided by Section 39, Article III, Texas Constitution. If this  
20 Act does not receive the vote necessary for immediate effect, this  
21 Act takes effect September 1, 2019.