

# SENATE AMENDMENTS

2<sup>nd</sup> Printing

By: Thompson of Brazoria

H.B. No. 1346

A BILL TO BE ENTITLED

AN ACT

relating to the eligibility requirements for the diesel emissions reduction incentive program.

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

SECTION 1. Section 386.104, Health and Safety Code, is amended by amending Subsection (c) and adding Subsections (c-1) and (c-2) to read as follows:

(c) Except as otherwise provided by this subsection, for  
[~~For~~] a proposed project as described by Section 386.102(b), other than a project involving a marine vessel or engine, not less than 75 percent of vehicle miles traveled or hours of operation projected for the five years immediately following the award of a grant must be projected to take place in a nonattainment area or affected county of this state. The commission may set the minimum percentage of vehicle miles traveled or hours of operation required to take place in a nonattainment area or affected county at a percentage and for a period that is different from the percentage and period specified by this subsection. The commission may [~~also~~] allow vehicle travel on highways and roadways, or portions of a highway or roadway, designated by the commission and located outside a nonattainment area or affected county to count towards the percentage of use requirement in this subsection.

(c-1) For a proposed project involving a marine vessel or engine, the vessel or engine must be operated in the intercoastal

1 waterways or bays adjacent to a nonattainment area or affected  
2 county of this state for a sufficient amount of time over the  
3 lifetime of the project, as determined by the commission, to meet  
4 the cost-effectiveness requirements of Section 386.105.

5 (c-2) For a proposed project involving non-road equipment  
6 used for natural gas recovery purposes, the equipment must be  
7 operated in a nonattainment area or affected county for a  
8 sufficient amount of use over the lifetime of the project, as  
9 determined by the commission, to meet the cost-effectiveness  
10 requirements of Section 386.105.

11 SECTION 2. This Act takes effect September 1, 2019.

ADOPTED

MAY 15 2019

*Leta Starn*  
Secretary of the Senate

By: *Beverly Powell*

H.B. No. 1346

Substitute the following for \_\_.B. No. \_\_\_\_\_:

By: *Beverly Powell*

C.S. \_\_.B. No. \_\_\_\_\_

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to the eligibility requirements for the diesel emissions  
3 reduction incentive program.

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

5 SECTION 1. Section 386.104, Health and Safety Code, is  
6 amended by amending Subsection (c) and adding Subsections (c-1) and  
7 (c-2) to read as follows:

8 (c) Except as otherwise provided by this subsection, for  
9 ~~For~~ a proposed project as described by Section 386.102(b), other  
10 than a project involving a marine vessel or engine, not less than 75  
11 percent of vehicle miles traveled or hours of operation projected  
12 for the five years immediately following the award of a grant must  
13 be projected to take place in a nonattainment area or affected  
14 county of this state. The commission may set the minimum percentage  
15 of vehicle miles traveled or hours of operation required to take  
16 place in a nonattainment area or affected county at a percentage and  
17 for a period that is different from the percentage and period  
18 specified by this subsection, provided that the commission may not  
19 set the minimum percentage at a level that is less than 55 percent.  
20 The commission may ~~also~~ allow vehicle travel on highways and  
21 roadways, or portions of a highway or roadway, designated by the  
22 commission and located outside a nonattainment area or affected  
23 county to count towards the percentage of use requirement in this  
24 subsection.

1           (c-1) For a proposed project involving a marine vessel or  
2 engine, the vessel or engine must be operated in the intercoastal  
3 waterways or bays adjacent to a nonattainment area or affected  
4 county of this state for a sufficient amount of time over the  
5 lifetime of the project, as determined by the commission, to meet  
6 the cost-effectiveness requirements of Section 386.105.

7           (c-2) For a proposed project involving non-road equipment  
8 used for natural gas recovery purposes, the equipment must be  
9 operated in a nonattainment area or affected county for a  
10 sufficient amount of use over the lifetime of the project, as  
11 determined by the commission, to meet the cost-effectiveness  
12 requirements of Section 386.105.

13           SECTION 2. This Act takes effect September 1, 2019.

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**May 15, 2019**

**TO:** Honorable Dennis Bonnen, Speaker of the House, House of Representatives

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE: HB1346** by Thompson, Ed (Relating to the eligibility requirements for the diesel emissions reduction incentive program.), **As Passed 2nd House**

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Health and Safety Code to permit the Texas Commission on Environmental Quality (TCEQ) to establish minimum percentages at or above 55 percent on the amount of vehicle miles or hours of operation required for vehicles travelling within a nonattainment area or affected county that are associated with a diesel emissions reduction incentive program grant. Based on the analysis of TCEQ, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 582 Commission on Environmental Quality

**LBB Staff:** WP, SD, SZ, GDz

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**May 9, 2019**

**TO:** Honorable Brian Birdwell, Chair, Senate Committee on Natural Resources & Economic Development

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE:** **HB1346** by Thompson, Ed (Relating to the eligibility requirements for the diesel emissions reduction incentive program.), **Committee Report 2nd House, Substituted**

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Health and Safety Code to permit the Texas Commission on Environmental Quality (TCEQ) to establish minimum percentages at or above 55 percent on the amount of vehicle miles or hours of operation required for vehicles travelling within a nonattainment area or affected county that are associated with a diesel emissions reduction incentive program grant. Based on the analysis of TCEQ, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 582 Commission on Environmental Quality

**LBB Staff:** WP, SZ, GDz

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**May 6, 2019**

**TO:** Honorable Brian Birdwell, Chair, Senate Committee on Natural Resources & Economic Development

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE: HB1346** by Thompson, Ed (Relating to the eligibility requirements for the diesel emissions reduction incentive program.), **As Engrossed**

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Health and Safety Code to permit the Texas Commission on Environmental Quality (TCEQ) to establish minimum percentages on the amount of vehicle miles or hours of operation required for vehicles travelling within a nonattainment area or affected county that are associated with a diesel emissions reduction incentive program grant. Based on the analysis of TCEQ, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 582 Commission on Environmental Quality

**LBB Staff:** WP, SZ, GDz

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**March 29, 2019**

**TO:** Honorable J. M. Lozano, Chair, House Committee on Environmental Regulation

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE: HB1346** by Thompson, Ed (Relating to the eligibility requirements for the diesel emissions reduction incentive program.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Health and Safety Code to permit the Texas Commission on Environmental Quality (TCEQ) to establish minimum percentages on the amount of vehicle miles or hours of operation required for vehicles travelling within a nonattainment area or affected county that are associated with a diesel emissions reduction incentive program grant. Based on the analysis of TCEQ, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 582 Commission on Environmental Quality

**LBB Staff:** WP, SZ, GDz