

BILL ANALYSIS

Senate Research Center
87R17069 SLB-F

H.B. 2136
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Natural Resources & Economic Development
5/19/2021
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas Legislature has taken great strides to help Texas achieve federal air quality standards required by the United States Environmental Protection Agency (EPA). For example, the 77th Legislature created the Texas Emissions Reduction Plan (TERP) to provide financial incentives to eligible individuals, businesses, and local governments to reduce emissions from vehicles and equipment. Legislation passed during the 86th Legislature established new parameters for TERP grant eligibility to increase applications by on-road and non-road diesel vehicles. However, these flexibilities failed to capture marine vessels, which generate some of the highest levels of emissions. Currently, marine vessels must be operated at least 75 percent of the time in intercoastal waterways or bays adjacent to nonattainment areas or affected counties in Texas. As a result, marine vessels are forced to operate only in limited geographic regions of Texas or avoid participation in the TERP program. This lack of flexibility concentrates marine vessel emissions near Texas ports and large coastal cities for marine vessels that are eligible for TERP funding. It also diminishes air quality outside of those areas for vessels that are ineligible for TERP funding. Extending similar flexibilities will encourage more vessels to participate in TERP, which will improve air quality near our ports and large coastal cities and help the state achieve better compliance with EPA standards.

H.B. 2136 will allow marine vessels to be operated at least 55 percent of the time in intercoastal waterways or bays adjacent to a nonattainment area or affected county in Texas to be eligible for a TERP grant. This additional flexibility will increase the number of marine vessels able to participate in the program, improving statewide air quality and compliance with federal air quality standards.

H.B. 2136 amends current law relating to marine vessel projects in the diesel emissions reduction incentive program.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 386.104(c) and (c-1), Health and Safety Code, as follows:

(c) Deletes existing text excepting a project involving a marine vessel or engine from the requirement that for a proposed project as described by Section 386.102(b) (relating to certain projects that may be considered for a grant under the Diesel Emissions Reduction Incentive Program), 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 be projected to take place in a nonattainment area or affected county of this state.

(c-1) Requires that the vessel or engine, for a proposed project involving a marine vessel or engine, be operated in the intercoastal waterways or bays adjacent to a nonattainment area or affected county of this state for a sufficient percentage of time, rather than for a sufficient amount of time, over the lifetime of the project, as determined by the Texas Commission on Environmental Quality (TCEQ), to meet the cost-effectiveness

requirements of Section 386.105 (Calculation of Cost-Effectiveness). Prohibits the percentage determined by TCEQ under this subsection from being less than 55 percent.

SECTION 2. Effective date: September 1, 2021.