

By: Talarico

H.B. No. 2206

A BILL TO BE ENTITLED

AN ACT

relating to the Texas Climate Action Act.

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

ARTICLE 1. SHORT TITLE, PREAMBLE, AND FINDINGS

SECTION 1.01. SHORT TITLE. This Act shall be known as the Texas Climate Action Act.

SECTION 1.02. PREAMBLE. The aim of the Texas Climate Action Act is to combat climate change by establishing greenhouse gas emissions reduction targets, energy efficiency standards, and a resiliency plan with a framework for local involvement.

SECTION 1.03. FINDINGS. (i) WHEREAS, the Intergovernmental Panel on Climate Change has found that warming of the global climate system is "unequivocal"; and

(ii) WHEREAS, there is "no convincing alternative explanation" for changes in the climate other than "human activities, especially emissions of greenhouse gases" based on the most recent findings of the U.S. Global Change Research Program; and

(iii) WHEREAS, climate change has a demonstrated and researched-backed impact on human health and safety, including increased natural disasters and increased, intensifying extreme weather, causing damage to ecosystems, social systems, and infrastructure; increased risks of waterborne and foodborne diseases, increased risks of vector-borne diseases, and increased

1 range and distribution of disease-carrying insects and animals,
2 carrying diseases such as SARS-CoV-2, Zika and Lyme; and

3 (iv) WHEREAS, Texas's economy suffered \$105 billion loss in
4 property and crop damage from 2012 through 2017 alone due to extreme
5 weather events, and will continue to suffer loss if significant
6 steps are not taken to address and reduce global warming.

7 (b) THEREFORE, it is the goal of Texas to take all necessary
8 and appropriate steps to mitigate and prevent these impacts of
9 human-induced climate change.

10 ARTICLE 2. TEXAS CLIMATE ACTION ACT

11 SECTION 1. Subtitle C, Title 5, Health and Safety Code, is
12 amended by adding Chapter 396 to read as follows:

13 CHAPTER 396. TEXAS CLIMATE ACTION ACT

14 Sec. 396.0001. DEFINITIONS. In this chapter:

15 (1) "Commission" means the Texas Commission on
16 Environmental Quality.

17 Sec. 396.0002. TEXAS CLIMATE ACTION ACT. (d) Upon the
18 effective date of this act, the commission shall adopt implementing
19 rules and regulations to require the reporting and verification of
20 statewide greenhouse gas emissions and the source and categories of
21 source of emissions. These regulations shall include steps for the
22 commission to monitor and enforce compliance with this section.

23 (e) Within one year of the effective date of this act, the
24 commission shall, after one or more public workshops, with public
25 notice, and an opportunity for all interested parties to comment:

26 (i) determine the statewide greenhouse gas emissions
27 level in calendar year 1990; and

1 (ii) promulgate through implementing rules and
2 regulations the maximum technologically feasible and
3 cost-effective greenhouse gas emissions limits, at minimum
4 achieving the following:

5 (1) a 2050 statewide greenhouse gas emissions
6 limit that is at least 90 per cent below the 1990 level;

7 (2) an interim 2040 emissions limit that shall
8 maximize the ability of Texas to meet the 2050 emissions limit;

9 (3) a 2030 statewide emissions limit that is at
10 least 50 percent below the 1990 level.

11 (f) Within two years of the effective date of this act, the
12 commission shall, after one or more public workshops, with public
13 notice, and an opportunity for all interested parties to comment,
14 prepare and adopt a plan and issue implementing rules and
15 regulations, for achieving the limits and interim limits
16 established pursuant to (e) above. This plan shall be updated every
17 five years.

18 (g) The commission may adopt regulations that establish a
19 system of market-based declining annual aggregate emission limits
20 for sources or categories of sources that emit greenhouse gas
21 emissions, that the commission determines will achieve the maximum
22 technologically feasible and cost-effective reductions in
23 greenhouse gas emissions, in the aggregate, from those sources or
24 categories of sources.

25 (h) The commission shall monitor compliance with and
26 enforce any rule, regulation, order, emission limitation,
27 emissions reduction measure, or market-based compliance mechanism

1 adopted pursuant to this Act.

2 (i) The commission shall conduct a study evaluating the
3 effects of climate inaction on Texas. Not later than September 1,
4 2022, the commission shall prepare and submit to the governor, the
5 lieutenant governor, and the speaker of the house of
6 representatives a written report containing the results of the
7 study. The report must include:

8 (1) the impact of extreme weather events on the Texas
9 economy and disaggregate information by sector, e.g. agriculture,
10 construction, tourism, etc.;

11 (2) the impact of extreme weather events on Texas
12 agriculture, labor, education, and health, and their respective
13 governing agencies;

14 (3) policy recommendations to prepare for future
15 extreme weather events due to the change in climate; and

16 (4) any other information the commission determines is
17 necessary.

18 (j) The commission shall publish the report described by
19 Subsection (i) of this section on its Internet website.

20 (k) The commission shall ensure that the greenhouse gas
21 emission reduction rules, regulations, programs, mechanisms, and
22 incentives adopted under this Act, where applicable and to the
23 extent feasible, direct public and private investment toward rural,
24 low-income, low- to moderate-income, and minority communities in
25 Texas and provide an opportunity for small businesses, schools,
26 affordable housing associations, and other community institutions
27 to participate in and benefit from statewide efforts to reduce

1 greenhouse gas emissions.

2 (1) In carrying out this Act, the commission shall:

3 (1) Consult with all Texas agencies with jurisdiction
4 over sources of greenhouse gases, including the Public Utility
5 Commission of Texas and the Texas Railroad Commission, on all
6 elements of its plan that pertain to energy related matters
7 including, but not limited to, electrical generation, load
8 based-standards or requirements, the provision of reliable and
9 affordable electrical service, petroleum refining, and statewide
10 fuel supplies to ensure the greenhouse gas emissions reduction
11 activities to be adopted and implemented by the commission are
12 complementary, non-duplicative, and can be implemented in an
13 efficient and cost-effective manner.

14 (2) Design the regulations, including distribution of
15 emissions allowances where appropriate, in a manner that is
16 equitable, seeks to minimize costs and maximize the total benefits
17 to Texas, and encourages early action to reduce greenhouse gas
18 emissions.

19 (3) Ensure that activities undertaken to comply with
20 the regulations do not disproportionately impact rural,
21 low-income, low- to moderate-income, or minority communities.

22 (4) Ensure that entities that have voluntarily reduced
23 their greenhouse gas emissions prior to the implementation of this
24 section receive appropriate credit for early voluntary reductions.

25 (5) Ensure that activities undertaken pursuant to the
26 regulations complement, and do not interfere with, efforts to
27 achieve and maintain federal and Texas ambient air quality

1 standards and to reduce toxic air contaminant emissions.

2 (6) Consider overall societal benefits, including
3 reductions in other air pollutants, diversification of energy
4 sources, and other benefits to the economy, environment, and public
5 health.

6 (7) Minimize the administrative burden of
7 implementing and complying with these regulations.

8 (8) Minimize reductions in greenhouse gas emissions in
9 Texas that are offset by increases in emissions of greenhouse gases
10 outside of Texas.

11 (9) Consider the significance of the contribution of
12 each source or category of sources to statewide emissions of
13 greenhouse gases.

14 (10) Consult with other states, and the federal
15 government, and other nations to identify the most effective
16 strategies and methods to reduce greenhouse gases, manage
17 greenhouse gas control programs, and to facilitate the development
18 of integrated and cost-effective regional, national, and
19 international greenhouse gas reduction programs.

20 (11) Evaluate the best available scientific,
21 technological, and economic information on greenhouse gas
22 emissions.

23 (12) Maximize opportunities for workers and
24 communities that may lose employment opportunities in the
25 transition to a green economy.

26 (13) Ensure job opportunities created through
27 activities undertaken pursuant to this Act are compensated on a

1 similar pay scale to those lost in the transition to a green economy,
2 and that these opportunities are shared geographically and
3 demographically.

4 (m) All Texas agencies involved in implementing this Act
5 shall assess and implement strategies to increase employment
6 opportunities and improve job quality through the activities
7 undertaken pursuant to this Act.

8 (n) Within six months of the effective date of this Act, all
9 Texas agencies shall report to the legislature on steps they are
10 taking to ensure compliance with this section.

11 (o) This act shall be subject to current prevailing wage
12 law.

13 (p) Permits, licenses, regulations and contracts undertaken
14 pursuant to this Act that are public works as defined in Texas law;
15 projects receiving over \$100,000 in total financial assistance from
16 Texas; and privately-financed projects on public property, shall
17 include:

18 (i) labor harmony policies;
19 (ii) dispute resolution mechanisms;
20 (iii) safety policies as required under Texas law;
21 workers compensation insurance;

22 (iv) and apprenticeship programs appropriate for the
23 trades in which work is being performed.

24 SECTION 2. This Act takes effect September 1, 2021.