

By: Lopez

H.B. No. 2994

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, as
7 effective September 1, 2021, is amended to read as follows:

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

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

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

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

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

1 Texas having representation from counties, municipalities, higher
2 education institutions, and private sector interests across the
3 area;

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

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

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

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

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

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

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

1 (12) not more than \$216,000 may be used by the
2 commission to contract with the Energy Systems Laboratory at the
3 Texas A&M Engineering Experiment Station annually for the
4 development and annual computation of creditable statewide
5 emissions reductions obtained through wind and other renewable
6 energy resources for the state implementation plan;

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

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

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

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

18 SECTION 3. This Act takes effect September 1, 2021.