

By: Alvarado

S.B. No. 1454

A BILL TO BE ENTITLED

AN ACT

relating to programs 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 Texas clean fleet program established under
7 Chapter 392;

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

10 (12) the Texas natural gas vehicle grant program
11 established 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) the purchase, maintenance, upgrade, and
4 operation of air monitoring equipment as provided by Section
5 [386.252\(a\)](#).

6 SECTION 2. Sections [386.252\(a\)](#) and (f), Health and Safety
7 Code, as effective September 1, 2021, are amended to read as
8 follows:

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

15 (1) four percent may be used for the clean school bus
16 program under Chapter [390](#);

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

21 (3) five percent may be used for the Texas clean fleet
22 program under Chapter [392](#);

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

1 the program through a regional nonprofit entity located in North
2 Texas having representation from counties, municipalities, higher
3 education institutions, and private sector interests across the
4 area;

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

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

13 (7) not more than \$1 million [~~\$750,000~~] may be used
14 each year to support research related to air quality as provided by
15 Chapter 387;

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

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

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

27 (11) five percent may be used for the light-duty motor

1 vehicle purchase or lease incentive program established under
2 Subchapter D;

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

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

14 (14) not more than \$10 million may be used by the
15 commission for the purchase, maintenance, upgrade, and operation of
16 air monitoring equipment to be used in nonattainment areas and
17 affected counties; and

18 (15) the balance is to be used by the commission for
19 the diesel emissions reduction incentive program under Subchapter C
20 as determined by the commission.

21 (f) Not more than \$5 [~~\$2.5~~] million from the fund and
22 account may be used by the commission to conduct research and other
23 activities associated with making any necessary demonstrations to
24 the United States Environmental Protection Agency to account for
25 the impact of foreign emissions or an exceptional event.

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