

## **BILL ANALYSIS**

Senate Research Center

S.B. 1017  
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Business & Commerce  
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Enrolled

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

S.B. 1017 will prevent political subdivisions in Texas from adopting or enforcing any regulation that prohibits or restricts the use, sale, or lease of an engine based on its fuel source. This legislation ensures that a political subdivision can still adopt or enforce regulations relating to an engine that does not effectively prohibit or restrict the engine and is not preempted by state or federal law. The bill would also prohibits political subdivisions from enacting regulations that would limit access to an energy source or that results in the effective prohibition of a wholesaler, retailer, energy producer, or related infrastructure that is necessary to provide access to a specific energy source.

(Original Author's/Sponsor's Statement of Intent)

S.B. 1017 amends current law relating to the authority of a political subdivision to regulate an energy source or engine.

### **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 Subtitle C, Title 7, Local Government Code, by adding Chapter 247, as follows:

#### **CHAPTER 247. REGULATION OF ENERGY SOURCES AND ENGINES**

Sec. 247.001. DEFINITIONS. Defines "energy source," "engine," "political subdivision," and "retail service station."

Sec. 247.002. RESTRICTION ON REGULATION OF ENERGY SOURCES. (a) Prohibits a political subdivision from adopting or enforcing an ordinance, order, regulation, or similar measure that limits access to or use of an energy source or that results in the effective prohibition of infrastructure that is necessary to provide access to a specific energy source, including a wholesaler, retailer, energy producer, or related infrastructure, including a retail service station.

(b) Provides that this section does not limit the authority of a political subdivision to adopt or enforce an ordinance, order, regulation, or similar measure relating to an energy source, or infrastructure that is necessary to provide access to a specific energy source, that meets certain criteria.

Sec. 247.003. RESTRICTION ON REGULATION OF ENGINES. (a) Prohibits a political subdivision from adopting or enforcing an ordinance, order, regulation, or similar measure that directly or indirectly prohibits or restricts the use, sale, or lease of an engine based on its fuel source.

(b) Provides that this section does not limit the authority of a political subdivision to adopt or enforce an ordinance, order, regulation, or similar measure not preempted by state or federal law that:

(1) does not effectively prohibit or restrict the use, sale, or lease of the engine;

(2) implements an agreement between the political subdivision and the Texas Commission on Environmental Quality to regulate motor vehicle idling under Section 382.019 (Method Used to Control and Reduce Emissions From Land Vehicles), Health and Safety Code; or

(3) only affects an engine owned or operated by the political subdivision and is included in the state implementation plan or otherwise necessary for compliance with the federal Clean Air Act (42 U.S.C. Section 7401 et seq.).

(c) Provides that this section does not limit the authority of a political subdivision to adopt an ordinance, order, regulation, resolution, policy, or other similar measure to encourage, promote, or provide rebates for engines and fuel sources from alternative sources such as electricity, hydrogen, gas, or biofuels and that does not directly or effectively ban, restrict, or prohibit the use, sale, or lease of an engine based on the engine's fuel source.

(d) Provides that Section 81.0523 (Exclusive Jurisdiction and Express Preemption), Natural Resources Code, prevails to the extent of a conflict with this section.

SECTION 2. Effective date: September 1, 2023.