

1 AN ACT

2 relating to support for the development of the nuclear energy
3 industry.

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

5 SECTION 1. Subtitle F, Title 4, Government Code, is amended
6 by adding Chapter 483 to read as follows:

7 CHAPTER 483. TEXAS ADVANCED NUCLEAR ENERGY OFFICE

8 SUBCHAPTER A. GENERAL PROVISIONS

9 Sec. 483.001. DEFINITIONS. In this chapter:

10 (1) "Advanced nuclear project" means an electric
11 generation facility that relies on an advanced nuclear reactor to
12 generate power, steam, or heat, a nuclear fuel cycle facility that
13 supplies advanced nuclear reactors, or associated technologies
14 supporting the advanced nuclear energy industry.

15 (2) "Advanced nuclear reactor" means a range of
16 nuclear reactor technologies determined by the regulatory
17 commission to be either of generation III+ or generation IV,
18 including large light water reactors, small modular reactors,
19 microreactors, and nuclear cogeneration.

20 (3) "Construction permit" means a permit issued by the
21 regulatory commission for the construction of:

22 (A) a nuclear production or utilization
23 facility; or

24 (B) a research or test reactor that contributes

1 to the future commercialization of that research or test reactor
2 technology.

3 (4) "Director" means the director of the office.

4 (5) "License" means a license issued by the regulatory
5 commission that authorizes the license holder to construct and
6 operate a nuclear power facility, such as a nuclear plant at a
7 specific site, with specified conditions.

8 (6) "Office" means the Texas Advanced Nuclear Energy
9 Office established under Subchapter B.

10 (7) "Regulatory commission" means the United States
11 Nuclear Regulatory Commission.

12 (8) "Utility commission" means the Public Utility
13 Commission of Texas.

14 Sec. 483.002. SUNSET PROVISION. The office is subject to
15 Chapter 325, Government Code (Texas Sunset Act). Unless continued
16 in existence as provided by that chapter, the office is abolished
17 and this chapter expires September 1, 2035.

18 SUBCHAPTER B. TEXAS ADVANCED NUCLEAR ENERGY OFFICE

19 Sec. 483.101. ESTABLISHMENT AND PURPOSE OF OFFICE. (a) The
20 Texas Advanced Nuclear Energy Office is an office within the office
21 of the governor.

22 (b) The purposes of the office are to:

23 (1) provide strategic leadership for the advanced
24 nuclear reactor system in this state;

25 (2) collaborate with interested stakeholders and
26 state and local leaders to craft a statewide strategic advanced
27 nuclear energy public outreach program;

1 (3) promote the development of advanced nuclear
2 reactors for dispatchable electric generation while creating
3 high-wage advanced manufacturing jobs in this state;

4 (4) lead the transition to a balanced energy future by
5 advancing innovative nuclear energy generation technologies while
6 delivering safe, reliable, and clean energy solutions that address
7 the state's growing demand;

8 (5) enhance the state's energy security, foster
9 economic growth, and ensure the safety of future nuclear energy
10 generation development;

11 (6) identify barriers to the financial viability of
12 nuclear energy generation and regulatory and licensing
13 complexities that increase risk to developers of nuclear energy;

14 (7) leverage the expertise and capacity of
15 institutions of higher education, the nuclear energy industry, the
16 industrial manufacturing sector, and regulatory stakeholders to
17 develop a comprehensive strategic plan to ensure the development of
18 advanced nuclear energy and associated technologies in this state;
19 and

20 (8) support the development of an advanced nuclear
21 energy supply chain and associated technologies in this state.

22 (c) The office may:

23 (1) subject to Subsection (d), solicit and accept
24 gifts, grants, or loans from and contract with any entity;

25 (2) establish ad hoc advisory committees as necessary
26 to carry out the office's duties under this chapter; and

27 (3) exercise any other power necessary to carry out

1 this chapter.

2 (d) The office may not accept a gift, grant, or loan from or
3 contract with an applicant for or a beneficiary of a grant provided
4 under Subchapter C.

5 (e) The office may not require an advanced nuclear project
6 to be located in a specific location.

7 (f) The office may adopt and enforce rules necessary to
8 carry out this chapter.

9 (g) The office and the utility commission, with the
10 assistance of any other state entity the office or the utility
11 commission determines is necessary, shall conduct a study to
12 identify necessary state regulatory functions related to nuclear
13 energy generation facilities in this state. The office and the
14 utility commission shall submit the study to the legislature not
15 later than December 1, 2026. This subsection expires August 31,
16 2027.

17 Sec. 483.102. DIRECTOR; DUTIES. (a) The governor shall
18 employ a director of the office. The director serves at the pleasure
19 of the governor.

20 (b) The director must have demonstrated:

21 (1) experience in the field of advanced nuclear
22 energy; and

23 (2) executive and organizational ability.

24 (c) The director may not have any direct or indirect
25 interests that substantially conflict with the director's duties.

26 (d) The director shall:

27 (1) manage the affairs of the office;

1 (2) administer programs established by this chapter;

2 and

3 (3) establish appropriate milestones and standards to

4 ensure proper use of money under this chapter.

5 (e) The director may hire staff as necessary to implement
6 the duties of the office under this chapter.

7 Sec. 483.103. STRATEGIC PLAN. Not later than December 1 of
8 each even-numbered year, the director shall submit to the governor,
9 the legislature, and the Legislative Budget Board a strategic plan
10 for furthering the goals, purposes, and objectives established by
11 this chapter.

12 Sec. 483.104. NUCLEAR PERMITTING COORDINATOR. (a) The
13 director may employ a nuclear permitting coordinator to assist
14 businesses throughout the nuclear energy permitting and regulatory
15 process.

16 (b) A nuclear permitting coordinator must have a
17 demonstrated familiarity with the permitting and regulatory
18 process in this state.

19 (c) The nuclear permitting coordinator shall:

20 (1) act as a single point of contact for stakeholders
21 during the nuclear energy permitting and regulatory process;

22 (2) identify active or likely siting opportunities and
23 required permits and approvals for nuclear energy generation sites
24 and key personnel; and

25 (3) provide guidance for regulated persons navigating
26 local, state, and federal regulations for nuclear energy generation
27 facilities.

1 subchapter and the director shall administer those programs.

2 (b) The office may provide a grant under this subchapter
3 only to reimburse expenses paid by a recipient using the
4 recipient's own funds. An applicant for a grant under this
5 subchapter may have received financial assistance or incentives
6 from a local, state, or federal source, but the office may not
7 provide a grant under this subchapter to reimburse expenses paid by
8 a recipient or the recipient's project partner using financial
9 assistance or incentives from the local, state, or federal source.
10 An applicant shall provide the office with detailed information
11 regarding any financial assistance or incentives requested or
12 received for the project for which it is requesting grant funds.

13 (c) An applicant that has received state-appropriated money
14 for an advanced nuclear reactor is not eligible to receive a grant
15 under Section 483.204.

16 (d) The office shall submit to the lieutenant governor and
17 the speaker of the house of representatives a notice of each grant
18 the office proposes to approve. The office may not approve the grant
19 if both those officers submit a written communication to the office
20 disapproving the grant on or before the 30th day after the date the
21 office submits the notice of the proposed grant to those officers.
22 The lieutenant governor or speaker of the house of representatives
23 may extend the review deadline for an additional 14 days by
24 submitting a written notice to that effect to the office before the
25 expiration of the initial review period.

26 (e) Before awarding a grant under this subchapter, the
27 office shall enter into a written agreement with the grant

1 recipient. A written agreement under this subsection must:

2 (1) specify benchmarks and milestones for the
3 completion of the project for which the grant is provided; and

4 (2) require the grant recipient to repay to the state
5 money received from that grant if the recipient fails to reach the
6 specified benchmarks.

7 (f) The office may not during a state fiscal biennium award
8 out of money appropriated for grants under this subchapter a total
9 amount greater than:

10 (1) for grants provided under Section 483.203, 20
11 percent of the appropriated money; and

12 (2) for grants provided under Section 483.204, 80
13 percent of the appropriated money.

14 Sec. 483.203. PROJECT DEVELOPMENT AND SUPPLY CHAIN
15 REIMBURSEMENT PROGRAM. (a) The office may provide a reimbursement
16 grant from the Texas advanced nuclear development fund under this
17 section for the expenses associated with or required for initial
18 development of an advanced nuclear project in this state.

19 (b) Expenses that qualify for reimbursement under this
20 section are limited to expenses attributable or allocable to:

21 (1) technology development, including university
22 technology development;

23 (2) feasibility studies;

24 (3) site planning, including conceptual site-specific
25 engineering studies;

26 (4) front-end engineering design;

27 (5) site and environmental characterization;

1 (6) regulatory commission early site permit work;

2 (7) preparation of the construction permit or license
3 application to the regulatory commission;

4 (8) developing manufacturing capacity and readiness;

5 (9) fuel processing, manufacturing, and fabrication
6 activities essential to the fuel cycle supply;

7 (10) preparation of local, state, and nonregulatory
8 commission federal permits; and

9 (11) regulatory commission licensing fees.

10 (c) To be eligible for a reimbursement grant under this
11 section, an applicant must provide with an application proof of
12 incurred expenses described by Subsection (b).

13 (d) A grant provided under this section may not exceed the
14 lesser of:

15 (1) 50 percent of the amount of qualifying expenses
16 associated with the project; or

17 (2) \$12.5 million.

18 (e) The office by rule shall establish procedures for the
19 application for and provision of a grant under this section.

20 Sec. 483.204. ADVANCED NUCLEAR CONSTRUCTION REIMBURSEMENT
21 PROGRAM. (a) The office may provide a reimbursement grant from the
22 Texas advanced nuclear development fund under this section for
23 expenses associated with the construction of an advanced nuclear
24 project in this state.

25 (b) Expenses that qualify for reimbursement under this
26 section are limited to expenses associated with:

27 (1) the regulatory commission's review of the

1 construction permit or license application;

2 (2) procurement and development of long-lead
3 components; or

4 (3) construction activities, including the
5 manufacture, fabrication, quality assurance, placement, erection,
6 installation, modification, inspection, or testing of an advanced
7 nuclear project.

8 (c) To be eligible for a reimbursement grant under this
9 section, an applicant must provide with an application proof of
10 incurred expenses described by Subsection (b).

11 (d) A grant provided under this section may not exceed the
12 lesser of:

13 (1) 50 percent of the amount of qualifying expenses
14 associated with the project; or

15 (2) \$120 million.

16 (e) The office by rule shall establish procedures for the
17 application for and provision of a grant under this section.

18 (f) The office may not provide a reimbursement grant for a
19 project under this section until the regulatory commission has
20 docketed a construction permit or license application for the
21 project.

22 (g) The office by rule shall establish a process to
23 distribute the proceeds of each grant awarded under this section to
24 the grant recipient on a rolling basis for qualifying expenses. The
25 process must include milestones associated with:

26 (1) the regulatory commission's permitting process;

27 and

1 (2) the recipient's financial investment decisions
2 relating to the project.

3 Sec. 483.205. COMPLETION BONUS GRANT PROGRAM FOR
4 INTERCONNECTED REACTORS. (a) The office may provide a grant under
5 this subchapter for the costs associated with the completion of an
6 operational advanced nuclear reactor in this state that is
7 interconnected with the ERCOT power grid.

8 (b) The office, in consultation with the utility
9 commission, by rule shall establish the amount of a grant the office
10 will provide under this section on a per megawatt basis according to
11 the generation capacity of the advanced nuclear reactor.

12 (c) The office, in consultation with the utility
13 commission, by rule shall establish procedures for:

14 (1) the application for and award of a grant under this
15 section;

16 (2) the administration of the grant program; and

17 (3) providing grants according to a tiered system
18 based on the amount of electricity in megawatts provided to the
19 ERCOT power grid by an advanced nuclear reactor.

20 Sec. 483.206. GRANT APPLICATION EVALUATION. The office
21 shall evaluate each application for a grant under this subchapter
22 based on:

23 (1) the grant applicant's:

24 (A) quality of services and management;

25 (B) efficiency of operations;

26 (C) access to resources essential for operating
27 the project for which the grant is requested, such as land, water,

1 and reliable infrastructure, as applicable;

2 (D) application for or docketing of a permit or
3 license with the regulatory commission; and

4 (E) ability to repay the grant if project
5 benchmarks are not met; and

6 (2) the project's potential benefit to this state.

7 Sec. 483.207. CONFIDENTIALITY. Information submitted to
8 the office in an application for a grant under this subchapter is
9 confidential and not subject to disclosure under Chapter 552.

10 SECTION 2. The office of the governor is required to
11 implement the changes in law made by this Act only if the
12 legislature appropriates money specifically for that purpose. If
13 the legislature does not appropriate money specifically for that
14 purpose, the office of the governor may, but is not required to,
15 implement those changes in law using other appropriations available
16 for that purpose.

17 SECTION 3. This Act takes effect September 1, 2025.

President of the Senate

Speaker of the House

I certify that H.B. No. 14 was passed by the House on April 23, 2025, by the following vote: Yeas 134, Nays 9, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 14 on May 30, 2025, by the following vote: Yeas 118, Nays 6, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 14 was passed by the Senate, with amendments, on May 28, 2025, by the following vote: Yeas 26, Nays 5.

Secretary of the Senate

APPROVED: _____

Date

Governor