SENATE AMENDMENTS

2nd Printing

By: Harris, et al. H.B. No. 14

A BILL TO BE ENTITLED

AN ACT

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

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

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

CHAPTER 483. TEXAS ADVANCED NUCLEAR ENERGY OFFICE

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 483.001. DEFINITIONS. In this chapter:

(1) "Advanced nuclear reactor" means a range of nuclear reactor technologies determined by the office to be either of generation III or generation IV, including large light water reactors, small modular reactors, microreactors, and nuclear cogeneration.

(2) "Advanced nuclear reactor project" means an electric generation facility that relies on an advanced nuclear reactor to generate power, a nuclear fuel cycle facility that supplies advanced nuclear reactors, or associated technologies supporting the advanced nuclear energy industry.

(3) "Combined license" means a license issued by the nuclear commission that authorizes a licensee to construct and operate a nuclear power facility, such as a nuclear plant at a specific site, with specified conditions.

(4) "Construction permit" means a permit issued by the

nuclear commission for the construction of a nuclear production or utilization facility.

(5) "Director" means the director of the office.

(6) "Nuclear commission" means the United States Nuclear Regulatory Commission or a representative of that commission.

(7) "Office" means the Texas Advanced Nuclear Energy Office established under Subchapter B.

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

Sec. 483.002. EXPIRATION. This chapter expires September 1, 2040.

SUBCHAPTER B. TEXAS ADVANCED NUCLEAR ENERGY OFFICE

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

(b) The purposes of the office are to:

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

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

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

(4) lead the transition to a balanced energy future by advancing innovative nuclear energy generation technologies while

delivering safe, reliable, and clean energy solutions that address the state's growing demand;

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

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

(7) provide recommendations to the governor and legislature regarding advanced nuclear energy and associated technologies;

(8) leverage the expertise and capacity of institutions of higher education, the nuclear energy industry, and regulatory stakeholders to develop a comprehensive strategic plan to ensure the development of advanced nuclear energy and associated technologies in this state; and

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

(c) The office may:

(1) solicit and accept gifts, grants, or loans from and contract with any entity;

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

(3) exercise any other power necessary to carry out this chapter.

(d) The office shall conduct a study to determine the necessity and feasibility of the office undertaking regulatory

functions related to nuclear energy generation facilities in this state. The office shall submit the study to the legislature not later than December 1, 2026. This subsection expires August 31, 2027.

Sec. 483.102. DIRECTOR; DUTIES. (a) The governor shall appoint a director of the office. The director serves at the pleasure of the governor.

(b) The director must have demonstrated:

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

(2) executive and organizational ability.

(c) The director shall:

(1) manage the affairs of the office;

(2) advise the utility commission on the provision of grants from the Texas energy fund under Chapter 34, Utilities Code, for nuclear energy generation facilities;

(3) administer programs established by this chapter;

(4) establish appropriate standards to ensure proper use of money under this chapter; and

(5) facilitate the location, expansion, and retention of advanced nuclear reactor projects in this state.

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

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

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

(b) A nuclear permitting coordinator must have:

(1) a demonstrated familiarity with the permitting and regulatory process in this state; and

(2) a network of contacts within the government of this state.

(c) The nuclear permitting coordinator shall:

(1) act as a single point of contact for stakeholders during the nuclear energy generation permitting process;

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

(3) provide tailored assistance for regulated persons navigating local, state, and federal regulations for nuclear energy generation facilities; and

(4) share information regarding this state's economic incentive programs for advanced nuclear reactor projects.

SUBCHAPTER C. TEXAS ADVANCED NUCLEAR DEVELOPMENT FUND; GRANT PROGRAMS

Sec. 483.201. TEXAS ADVANCED NUCLEAR DEVELOPMENT FUND. (a) The Texas advanced nuclear development fund is created as a dedicated account in the general revenue fund. The fund consists of:

(1) gifts, grants, or donations to the fund; and

(2) money from any other source designated by the legislature.

(b) The office may use money in the fund:

(1) to provide reimbursement-based grants to businesses, nonprofit organizations, and governmental entities, including institutions of higher education, through the programs established in this subchapter; and

(2) to pay for reasonable and necessary costs for staff support necessary to facilitate the work of the office.

(c) Each biennium, the director shall allocate an amount of the money appropriated to the fund for that biennium not to exceed 25 percent to fund projects that may qualify for the program established in Section 483.203.

Sec. 483.202. REIMBURSEMENT GRANT PROGRAMS ESTABLISHED. (a) The office shall establish grant programs under this subchapter and the director shall administer those programs.

(b) The office may only provide a grant under this subchapter to reimburse expenses paid by a recipient using the recipient's own funds. The office may not provide a grant under this subchapter to reimburse expenses paid by a recipient using financial assistance or incentives from any local, state, or federal source.

(c) Before awarding a grant under this subchapter, the office shall enter into a written agreement with the grant recipient. A written agreement under this subsection must:

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

(2) require the grant recipient to repay to the state money received if the recipient fails to reach the specified benchmarks.

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

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

(1) technology development, including university technology development;

(2) feasibility studies;

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

(4) front-end engineering design, including interconnection costs that would otherwise be paid by the project;

(5) site and environmental characterization;

(6) nuclear commission early site permit work;

(7) preparation of the construction permit or combined license application to the nuclear commission;

(8) expanding existing nuclear assets in the state;

(9) developing manufacturing capacity and readiness;

(10) fuel processing, manufacturing, and fabrication activities essential to the fuel cycle supply; and

(11) preparation of local, state, and non-nuclear commission federal permits.

(c) A grant provided under this section may not exceed the lesser of:

(1) 50 percent of the amount of qualifying expenses associated with the initial development of the project; or

(2) $12.5 million.

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

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

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

(1) the nuclear commission's review of the construction permit or combined license application;

(2) procurement of long-lead components; or

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

(c) A grant provided under this section may not exceed the lesser of:

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

(2) $200 million.

(d) The office by rule shall establish procedures for the

application for and provision of a grant under this section.

(e) The office may not provide a reimbursement grant for a project under this section until the applicant has filed with the nuclear commission a construction permit or combined license application for the project.

(f) The office shall provide for the proceeds of each grant awarded under this section to be distributed to the grant recipient on a rolling basis for qualifying expenses.

Sec. 483.205. GRANT APPLICATION EVALUATION. The office shall evaluate an application for a grant under this subchapter based on:

(1) the grant applicant's:

(A) quality of services and management;

(B) efficiency of operations;

(C) access to resources essential for operating the project for which the grant is requested, such as land, water, and reliable infrastructure, as applicable;

(D) application or docketing of a permit or license with the nuclear commission;

(E) evidence of creditworthiness and ability to repay the grant; and

(F) history of operations in this state and the United States; and

(2) the project's:

(A) technological readiness, including safety measures and licensing pathways;

(B) demands on water resources;

(C) protection of natural resources and safeguards against impacts on wildlife or habitats;

(D) support in the surrounding jurisdictions; and

(E) support from local, state, and federal officials.

Sec. 483.206. CONFIDENTIALITY. Information submitted to the office in an application for a grant under this subchapter is confidential and not subject to disclosure under Chapter 552.

SECTION 2. Subchapter A, Chapter 302, Labor Code, is amended by adding Section 302.0081 to read as follows:

Sec. 302.0081. ADVANCED NUCLEAR ENERGY WORKFORCE DEVELOPMENT PROGRAM. (a) In this section:

(1) "Coordinating board" means the Texas Higher Education Coordinating Board.

(2) "General academic teaching institution," "institution of higher education," "public junior college," and "public technical institute" have the meanings assigned by Section 61.003, Education Code.

(3) "Office" means the Texas Advanced Nuclear Energy Office established under Chapter 483, Government Code.

(4) "Program" means the advanced nuclear energy workforce development program established under this section.

(b) The commission, in collaboration with the coordinating board and the office, by rule shall establish and administer the advanced nuclear energy workforce development program under this section for the purpose of addressing urgent skilled labor demands

in the advanced nuclear energy industry in this state.

(c) Under the program, the commission shall:

(1) create a strategic plan for:

(A) addressing labor supply gaps and talent retention issues in the advanced nuclear energy industry; and

(B) providing financial assistance, including through the creation of strategic partnerships among public and private entities and advanced nuclear energy industry stakeholders, to incentivize and support:

(i) the creation by institutions of higher education of education and training programs in the field of advanced nuclear energy; and

(ii) research and leadership development in the field of advanced nuclear energy at general academic teaching institutions; and

(2) develop customized curriculum requirements for degree and certificate programs to prepare students for high-wage jobs in the advanced nuclear energy industry that, subject to coordinating board approval under Section 61.0512, Education Code, may be offered by an institution of higher education.

(d) In developing curriculum requirements under Subsection (c)(2), the commission shall:

(1) consult with:

(A) representatives of the coordinating board, general academic teaching institutions, public technical institutes, and public junior colleges;

(B) representatives of the office; and

(C) employers in the advanced nuclear energy industry; and

(2) focus on developing curricula for programs leading to high-wage jobs in the areas of:

(A) nuclear-grade welding;

(B) radiological control and monitoring;

(C) reactor operations;

(D) nuclear instrumentation and control; and

(E) nuclear, electrical, chemical, civil, and environmental engineering.

(e) Not later than September 1 of each year, the commission shall prepare and submit to each standing committee of the legislature with primary jurisdiction over workforce development, higher education, or energy industry matters, a report summarizing the commission's activities under the program. The report may include the commission's recommendations for legislative or other action.

SECTION 3. Chapter 34, Utilities Code, is amended by adding Subchapter C to read as follows:

SUBCHAPTER C. ADVANCED NUCLEAR COMPLETION

Sec. 34.0301. DEFINITIONS. In this subchapter:

(1) "Advanced nuclear reactor" and "advanced nuclear reactor project" have the meanings assigned by Section 483.001, Government Code.

(2) "Fund" means the Texas energy fund established by Section 49-q, Article III, Texas Constitution.

Sec. 34.0302. COMPLETION GRANT PROGRAM. (a) The

commission may provide, using money available in the fund for the purpose without further appropriation, a grant for the costs associated with the completion and operation of an advanced nuclear reactor project in this state that is capable of interconnection with the ERCOT power grid.

(b) The commission by rule shall establish the amount of a grant the commission will provide under this section on a per megawatt basis according to the generation capacity of the advanced nuclear reactor project.

(c) The commission by rule shall establish procedures for:

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

(2) the administration of the grant program; and

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

(d) The commission may not provide a grant under this subchapter before June 2, 2029.

(e) Section 34.0106(b) does not apply to a grant awarded under this subchapter.

Sec. 34.0303. NUCLEAR GRANT PROGRAM ACCOUNT. (a) The commission shall establish a separate account within the fund for the program described by this subchapter. Money in the account may be used only to fund grants awarded under this subchapter.

(b) The commission shall transfer to the account described by Subsection (a):

(1) the returns received after September 1, 2025, from

the investment of money in the fund;

(2) unspent money remaining in the fund on May 31, 2029; and

(3) money repaid to the fund from loan recipients.

Sec. 34.0304. CONFIDENTIALITY. Information submitted to the commission in an application for a grant under this subchapter is confidential and not subject to disclosure under Chapter 552, Government Code.

SECTION 4. The office of the governor is required to implement the changes in law made in Section 1 of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the office of the governor may, but is not required to, implement those changes in law using other appropriations available for that purpose.

SECTION 5. This Act takes effect September 1, 2025.

ADOPTED

MAY 27 2025

Secretary of the Senate

By: C. Schwertner S.B. No. 14

Substitute the following for S.B. No. 14:

By: C. Campbell C.S.S.B. No. 14

A BILL TO BE ENTITLED

AN ACT

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

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

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

CHAPTER 483. TEXAS ADVANCED NUCLEAR ENERGY OFFICE

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 483.001. DEFINITIONS. In this chapter:

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

(2) "Advanced nuclear reactor" means a range of nuclear reactor technologies determined by the office to be either of generation III or generation IV, including large light water reactors, small modular reactors, microreactors, and nuclear cogeneration.

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

(A) a nuclear production or utilization facility; or

(B) a research or test reactor that contributes

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

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

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

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

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

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

Sec. 483.002. EXPIRATION. This chapter expires September 1, 2040.

SUBCHAPTER B. TEXAS ADVANCED NUCLEAR ENERGY OFFICE

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

(b) The purposes of the office are to:

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

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

(3) promote the development of advanced nuclear reactors for dispatchable electric generation while creating

high-wage advanced manufacturing jobs in this state;

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

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

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

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

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

(c) The office may:

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

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

(3) exercise any other power necessary to carry out this chapter.

(d) The office may not accept a gift, grant, or loan from or

contract with an applicant for or a beneficiary of a grant provided under Subchapter C.

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

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

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

(b) The director must have demonstrated:

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

(2) executive and organizational ability.

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

(d) The director shall:

(1) manage the affairs of the office;

(2) advise the utility commission on the provision of grants from the Texas energy fund under Chapter 34, Utilities Code, for nuclear energy generation facilities;

(3) administer programs established by this chapter;

(4) establish appropriate milestones and standards to

ensure proper use of money under this chapter; and

(5) facilitate the location, expansion, and retention of advanced nuclear reactors and advanced nuclear projects in this state.

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

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

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

(b) A nuclear permitting coordinator must have:

(1) a demonstrated familiarity with the permitting and regulatory process in this state; and

(2) a network of contacts within the government of this state.

(c) The nuclear permitting coordinator shall:

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

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

(3) provide assistance for regulated persons navigating local, state, and federal regulations for nuclear energy

generation facilities.

(d) The nuclear permitting coordinator shall make any assistance provided under this section equally available to all businesses engaged in the nuclear energy permitting and regulatory process.

(e) The nuclear permitting coordinator shall document all activities carried out in the provision of assistance under this section and make that information available to the public on request.

SUBCHAPTER C. TEXAS ADVANCED NUCLEAR DEVELOPMENT FUND; GRANT PROGRAMS

Sec. 483.201. TEXAS ADVANCED NUCLEAR DEVELOPMENT FUND. (a) The Texas advanced nuclear development fund is created as a dedicated account in the general revenue fund. The fund consists of:

(1) subject to Section 483.101(d), gifts, grants, or donations to the fund; and

(2) money from any other source designated by the legislature.

(b) The office may use money in the fund:

(1) to provide reimbursement-based grants to businesses, nonprofit organizations, and governmental entities, including institutions of higher education, through the programs established in this subchapter; and

(2) to pay for reasonable and necessary costs for staff support necessary to facilitate the work of the office.

Sec. 483.202. REIMBURSEMENT GRANT PROGRAMS ESTABLISHED.

(a) The office shall establish grant programs under this subchapter and the director shall administer those programs.

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

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

(d) Before awarding a grant under this subchapter, the office shall enter into a written agreement with the grant recipient. A written agreement under this subsection must:

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

(2) require the grant recipient to repay to the state money received if the recipient fails to reach the specified benchmarks.

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

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

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

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

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

(1) technology development, including university technology development;

(2) feasibility studies;

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

(4) front-end engineering design;

(5) site and environmental characterization;

(6) regulatory commission early site permit work;

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

(8) developing manufacturing capacity and readiness;

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

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

(11) regulatory commission licensing fees.

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

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

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

(2) $12.5 million.

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

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

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

(1) the regulatory commission's review of the construction permit or license application;

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

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

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

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

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

(2) $100 million.

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

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

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

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

(2) the recipient's financial investment decisions

relating to the project.

Sec. 483.205. COMPLETION BONUS GRANT PROGRAM FOR GRID-CAPABLE REACTORS. (a) The office may provide a grant under this subchapter for the costs associated with the completion and operation of an advanced nuclear reactor in this state that is capable of interconnection with the ERCOT power grid.

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

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

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

(2) the administration of the grant program; and

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

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

(1) the grant applicant's:

(A) quality of services and management;

(B) efficiency of operations;

(C) access to resources essential for operating the project for which the grant is requested, such as land, water, and reliable infrastructure, as applicable;

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

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

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

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

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

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

ADOPTED

MAY 28 2025

Secretary of the Senate

FLOOR AMENDMENT NO. 1 BY: _____

Amend C.S.H.B. No. 14 (senate committee report) as follows:

(1) In added Section 483.202, Government Code (page 3, between lines 65 and 66), insert the following appropriately lettered subsection and reletter subsequent subsections and cross-references to those subsections appropriately:

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

(2) In added Section 483.204(d)(2), Government Code (page 5, line 8), strike "$100" and substitute "$120".

ADOPTED

MAY 27 2025

Secretary of the Senate

FLOOR AMENDMENT NO. 1 BY: C. Johnson

Amend C.S.H.B. No. 14 (senate committee report) in SECTION 1 of the bill as follows:

(1) In added Section 483.001(2), Government Code (page 1, lines 37 and 38), strike "office to be either of generation III" and substitute "regulatory commission to be either of generation III+".

(2) Immediately after added Section 483.101(d), Government Code (page 2, between lines 41 and 42), insert the following appropriately designated subsection and reletter subsequent subsections accordingly:

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

(3) In added Section 483.101(f), Government Code (page 2, line 48), between "office" and "shall", insert "and the utility commission".

(4) In added Section 483.102(d), Government Code (page 2, line 60, through page 3, line 1), strike Subdivisions (2) and (5) and renumber subsequent subdivisions accordingly.

(5) In added Section 483.103, Government Code (page 3, lines 5 and 6), strike "governor and Legislative Budget Board" and substitute "the governor, the legislature, and the Legislative Budget Board".

(6) Strike added Section 483.104(b), Government Code (page 3, lines 12 through 16), and substitute the following:

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

(7) In added Section 483.104(c), Government Code (page 3, line 23), strike "assistance" and substitute "guidance".

(8) In added Section 483.201(b)(1), Government Code (page

3, lines 45 and 46), between "to" and "businesses", insert "eligible".

(9) In added Section 483.202(b), Government Code (page 3, line 56), strike "or the recipient's project partner's".

(10) In added Section 483.202(d), Government Code (page 4, line 13), between "received" and "if", insert "from that grant".

(11) In the heading to added Section 483.205, Government Code (page 5, line 24), strike "GRID-CAPABLE" and substitute "INTERCONNECTED".

(12) In added Section 483.205(a), Government Code (page 5, lines 25 through 27), strike "and operation of an advanced nuclear reactor in this state that is capable of interconnection with the ERCOT power grid" and substitute "of an operational advanced nuclear reactor in this state that is interconnected with the ERCOT power grid".

ADOPTED

MAY 27 2025

Secretary of the Senate

FLOOR AMENDMENT NO. 2 BY: C. Schwertner

Amend C.S.H.B. No. 14 (senate committee report) in SECTION 1 of the bill by striking added Section 483.002, Utilities Code (page 1, lines 59 and 60) and substituting the following:

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

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 29, 2025

TO: Honorable Dustin Burrows, Speaker of the House, House of Representatives

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB14 by Harris (Relating to support for the development of the nuclear energy industry.), **As Passed 2nd House**

Estimated Two-year Net Impact to General Revenue Related Funds for HB14, As Passed 2nd House: a negative impact of ($5,339,439) through the biennium ending August 31, 2027.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to *General Revenue Related Funds*
2026	($2,734,662)
2027	($2,604,777)
2028	($2,639,557)
2029	($2,604,777)
2030	($2,639,557)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from *General Revenue Fund* 1	Probable Revenue Gain/(Loss) from *New GR-DED Texas Advanced Nuclear Development Fund*	Probable Savings/(Cost) from *New GR-DED Texas Advanced Nuclear Development Fund*	*Change in Number of State Employees from FY 2025*
2026	($2,734,662)	$1,753,119	($1,753,119)	13.0
2027	($2,604,777)	$1,623,234	($1,623,234)	13.0
2028	($2,639,557)	$1,658,014	($1,658,014)	13.0
2029	($2,604,777)	$1,623,234	($1,623,234)	13.0
2030	($2,639,557)	$1,658,014	($1,658,014)	13.0

Fiscal Analysis

The bill would amend the Government Code by adding Chapter 483 to create the Texas Advanced Nuclear Energy Office (Office) within the Office of the Governor (OOG) in order to promote and develop advanced nuclear reactor projects. The bill would direct the Office and the Public Utility Commission (PUC) to conduct a study of the necessity and feasibility of taking on regulatory functions for nuclear energy facilities. The report would be submitted to the Legislature not later than December 1, 2026.

The Governor would employ a director of the Office to manage the office. The director may employ a nuclear

permitting coordinator according to certain criteria.

The bill would create the Texas Advanced Nuclear Development Fund (Fund) as a dedicated account in the General Revenue Fund. The Fund would be created for the purpose of providing reimbursement grants to businesses, nonprofit organizations, and governmental entities, including institutions of higher education; and provide for administration costs associated with the Office. Under the provisions of the bill, the new account would be composed of gifts, grants, or donations to the fund; and money from any other source designated by the Legislature.

The bill would establish certain requirements for reimbursement grant programs for Project Development and Supply Chain, Advanced Nuclear Construction, and Completion Bonus. The Office would evaluate an application for a grant according to certain criteria.

The bill would require the PUC to provide consultation services to OOG on the design of the program rules, administration of the fund, and on the Completion Bonus Grant program.

Subject to review by the Sunset Advisory Commission, the Office, the Fund, and the reimbursement grant programs would expire September 1, 2035.

Methodology

This analysis assumes that all administrative costs for the Office will be from the new Texas Advanced Nuclear Development Account.

It is anticipated that the OOG would need 10 additional FTEs in order to support the Texas Advanced Nuclear Energy Office: 1 Director VI, 1 License and Permit Specialist V, 0.5 Compliance Analyst IV, 1 Financial Analyst IV, 1 Research Specialist IV, 1 Grant Specialist III, 1 Attorney IV, 1 Information Technology Support Specialist V, 0.5 Systems Analyst I, 0.5 Accountant V, 0.5 Human Resource Specialist III, and 1 Project Manager IV. The total estimate for FTE-related costs, training, travel, and various operating costs in the 2026-27 biennium for the OOG associated with the Office is anticipated to be $3,376,353.

The PUC anticipates the need of 3 additional FTEs (1 Project Manager III-V and 2 Management Analyst III-IV). The total estimate for FTE-related costs, travel, and various operating costs in the 2026-27 biennium for the PUC associated with the bill is anticipated to be $973,443.

The amount of legislative appropriations or gifts, grants, and donations to the new Texas Advanced Nuclear Development Account is unknown.

Note: This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recrate a special or trust fund either in, with, or outside the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Technology

PUC anticipates information technology expenditures of $8,100 per year.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 116 Sunset Advisory Commission, 300 Trusteed Programs Within the Office of the Governor, 304 Comptroller of Public Accounts, 320 Texas Workforce Commission, 473 Public Utility Commission of Texas, 781 Higher Education Coordinating Board

LBB Staff: JMc, RStu, SD, BRI, NV, JPE, KK, WP, LCO, KCu

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 26, 2025

TO: Honorable Charles Schwertner, Chair, Senate Committee on Business & Commerce

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: **HB14** by Harris (relating to support for the development of the nuclear energy industry.), **Committee Report 2nd House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB14, Committee Report 2nd House, Substituted: a negative impact of ($5,339,439) through the biennium ending August 31, 2027.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to *General Revenue Related Funds*
2026	($2,734,662)
2027	($2,604,777)
2028	($2,639,557)
2029	($2,604,777)
2030	($2,639,557)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from *General Revenue Fund* 1	Probable Revenue Gain/(Loss) from *New GR-DED Texas Advanced Nuclear Development Fund*	Probable Savings/(Cost) from *New GR-DED Texas Advanced Nuclear Development Fund*	*Change in Number of State Employees from FY 2025*
2026	($2,734,662)	$1,753,119	($1,753,119)	13.0
2027	($2,604,777)	$1,623,234	($1,623,234)	13.0
2028	($2,639,557)	$1,658,014	($1,658,014)	13.0
2029	($2,604,777)	$1,623,234	($1,623,234)	13.0
2030	($2,639,557)	$1,658,014	($1,658,014)	13.0

Fiscal Analysis

The bill would amend the Government Code by adding Chapter 483 to create the Texas Advanced Nuclear Energy Office (Office) within the Office of the Governor (OOG) in order to promote and develop advanced nuclear reactor projects. The bill would direct the Office to conduct a study of the necessity and feasibility of taking on regulatory functions for nuclear energy facilities. The report would be submitted to the Legislature not later than December 1, 2026.

The Governor would employ a director of the Office to administer a grant program, establish standards for

proper use of funding, facilitate advanced nuclear reactor projects, and hire necessary staff. The director may employ a nuclear permitting coordinator according to certain criteria.

The bill would create the Texas Advanced Nuclear Development Fund (Fund) as a dedicated account in the General Revenue Fund. The Fund would be created for the purpose of providing reimbursement grants to businesses, nonprofit organizations, and governmental entities, including institutions of higher education; and provide for administration costs associated with the Office. Under the provisions of the bill, the new account would be composed of gifts, grants, or donations to the fund; and money from any other source designated by the Legislature.

The bill would establish certain requirements for reimbursement grant programs for Project Development and Supply Chain, Advanced Nuclear Construction, and Completion Bonus. The Office would evaluate an application for a grant according to certain criteria.

The bill would require the Public Utility Commission (PUC) to provide consultation services to OOG on the design of the program rules, administration of the fund, and on the Completion Bonus Grant program.

The Office, the Fund, and the reimbursement grant programs would expire September 1, 2040.

Methodology

This analysis assumes that all administrative costs for the Office will be from the new Texas Advanced Nuclear Development Account.

It is anticipated that the OOG would need 10 additional FTEs in order to support the Texas Advanced Nuclear Energy Office: 1 Director VI, 1 License and Permit Specialist V, 0.5 Compliance Analyst IV, 1 Financial Analyst IV, 1 Research Specialist IV, 1 Grant Specialist III, 1 Attorney IV, 1 Information Technology Support Specialist V, 0.5 Systems Analyst I, 0.5 Accountant V, 0.5 Human Resource Specialist III, and 1 Project Manager IV. The total estimate for FTE-related costs, training, travel, and various operating costs in the 2026-27 biennium for the OOG associated with the Office is anticipated to be $3,376,353.

The PUC anticipates the need of 3 additional FTEs (1 Project Manager III-V and 2 Management Analyst III-IV). The total estimate for FTE-related costs, travel, and various operating costs in the 2026-27 biennium for the PUC associated with the bill is anticipated to be $973,443.

The amount of legislative appropriations or gifts, grants, and donations to the new Texas Advanced Nuclear Development Account is unknown.

Note: This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recrate a special or trust fund either in, with, or outside the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Technology

PUC anticipates information technology expenditures of $8,100 per year.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 300 Trusteed Programs Within the Office of the Governor, 304 Comptroller of Public Accounts, 320 Texas Workforce Commission, 473 Public Utility Commission of Texas, 781 Higher Education Coordinating Board

LBB Staff: JMc, RStu, SD, BRI, NV, JPE, KK, WP, LCO, KCu

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 7, 2025

TO: Honorable Charles Schwertner, Chair, Senate Committee on Business & Commerce

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: **HB14** by Harris (Relating to support for the development of the nuclear energy industry.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB14, As Engrossed: a negative impact of ($10,077,299) through the biennium ending August 31, 2027.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to *General Revenue Related Funds*
2026	($5,103,592)
2027	($4,973,707)
2028	($5,008,487)
2029	($4,973,707)
2030	($5,008,487)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from *General Revenue Fund* 1	Probable Revenue Gain/(Loss) from *Texas Energy Fund* 176	Probable Revenue Gain/(Loss) from *Texas Energy Fund - New Nuclear Grant Program Account* 176	*Change in Number of State Employees from FY 2025*
2026	($5,103,592)	($132,922,000)	$132,922,000	12.0
2027	($4,973,707)	($78,705,000)	$78,705,000	12.0
2028	($5,008,487)	($78,705,000)	$78,705,000	12.0
2029	($4,973,707)	($78,705,000)	$78,705,000	12.0
2030	($5,008,487)	($78,705,000)	$78,705,000	12.0

Fiscal Analysis

The bill would amend the Government Code by adding Chapter 483 to create the Texas Advanced Nuclear Energy Office (Office) within the Office of the Governor (OOG) in order to promote and develop advanced nuclear reactor projects. The bill would direct the Office to conduct a study of the necessity and feasibility of taking on regulatory functions for nuclear energy facilities. The report would be submitted to the Legislature not later than December 1, 2026.

The Governor would appoint a director of the Office to advise the Public Utility Commission (PUC) on grants, administer a grant program, establish standards for proper use of funding, facilitate advanced nuclear reactor projects, and hire necessary staff. The director may employ a nuclear permitting coordinator according to certain criteria.

The bill would create the Texas Advanced Nuclear Development Fund (Fund) as a dedicated account in the General Revenue Fund. The Fund would be created for the purpose of providing reimbursement grants to businesses, nonprofit organizations, and governmental entities, including institutions of higher education; and provide for administration costs associated with the Office. Under the provisions of the bill, the new fund would be composed of gifts, grants, or donations to the fund; and money from any other source designated by the Legislature.

The bill would establish certain requirements for reimbursement grant programs for project Development and Supply Chain, and Advanced Nuclear Construction. The Office would evaluate an application for a grant according to certain criteria.

The Office, the Fund, and the reimbursement grant programs would expire August 31, 2040.

The bill would amend the Labor Code to create the Advanced Nuclear Energy Workforce Development Program and direct the Texas Workforce Commission (TWC) to collaborate with the Office and the Higher Education Coordinating Board (THECB) to establish the workforce program according to certain criteria. The bill would direct the TWC to submit a report to each standing committee of the Legislature not later than September 1 of each year.

The bill would amend the Utilities Code to create a Completion Grant program allowing the PUC to provide a grant for costs associated with the completion and operation of an advanced nuclear reactor project. The PUC would establish by rule certain aspects of the program. The bill would direct the PUC to establish the Nuclear Grant Program Account (Account) as a separate account within the Texas Energy Fund to provide for the completion grant program. The bill would direct PUC to transfer to the Account returns received after September 1, 2025, from the investment of money in the Texas Energy Fund; unspent money remaining in the Texas Energy Fund on May 31, 2029; and money repaid to the Texas Energy Fund from loan recipients.

Methodology

It is anticipated that the OOG would need 10 additional FTEs in order to support the Texas Advanced Nuclear Energy Office: 1 Director VI, 1 License and Permit Specialist V, 0.5 Compliance Analyst IV, 1 Financial Analyst IV, 1 Research Specialist IV, 1 Grant Specialist III, 1 Attorney IV, 1 Information Technology Support Specialist V, 0.5 Systems Analyst I, 0.5 Accountant V, 0.5 Human Resource Specialist III, and 1 Project Manager IV. The total estimate for FTE-related costs, training, travel, and various operating costs in the 2026-27 biennium for the OOG associated with the Office is anticipated to be $3,376,353.

The PUC anticipates the need of 2 additional FTEs (1 Project Manager III-V and 1 Management Analyst III-IV). The total estimate for FTE-related costs, travel, and various operating costs in the 2026-27 biennium for the PUC associated with the bill is anticipated to be $690,147.

Additionally, the PUC anticipated a cost of $3,000,000 per year for contracting costs to administer the Texas Advanced Nuclear Development Fund. This cost would be in addition to the existing contract for the Fund.

This analysis assumes any cost to the THECB or the TWC would be absorbed within existing resources.

The transfer of funds from the Texas Energy Fund (TEF) to the newly-created subaccount within TEF (i.e., funds are moved inside of, but no funds leave, TEF; there would be no change in the overall balance of TEF) would be about $132,922,000 in fiscal year 2026 and $78,705,000 in fiscal year 2027, based on the amount of interest earned on the balance of the TEF as estimated in the Comptroller's 2026-27 Biennial Revenue Estimate. Repayment of loans from the In-ERCOT Generation Loan Program is not expected to begin until after fiscal year 2030, and it is assumed all money in the TEF would be spent by May 31, 2029.

The amount of the legislative appropriations or gifts, grants, and donations to the new Texas Advanced Nuclear

Development Account is unknown.

Note: This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recrate a special or trust fund either in, with, or outside the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Technology

PUC anticipates information technology expenditures of $5,400 per year.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 300 Trusteed Programs Within the Office of the Governor, 304 Comptroller of Public Accounts, 320 Texas Workforce Commission, 473 Public Utility Commission of Texas, 781 Higher Education Coordinating Board

LBB Staff: JMc, JPE, KK, BRI, WP, LCO, KCu

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

March 28, 2025

TO: Honorable Ken King, Chair, House Committee on State Affairs

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: **HB14** by Harris (relating to support for the development of the nuclear energy industry.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB14, Committee Report 1st House, Substituted: a negative impact of ($4,077,299) through the biennium ending August 31, 2027.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to *General Revenue Related Funds*
2026	($2,103,592)
2027	($1,973,707)
2028	($2,008,487)
2029	($1,973,707)
2030	($2,008,487)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from *General Revenue Fund* 1	Probable Revenue Gain/(Loss) from *Texas Energy Fund* 176	Probable Revenue Gain/(Loss) from *New General Revenue Dedicated Texas Advanced Nuclear Development Fund*	Probable Savings/(Cost) from *New General Revenue Dedicated Texas Advanced Nuclear Development Fund*
2026	($2,103,592)	($132,922,000)	$132,922,000	($3,000,000)
2027	($1,973,707)	($78,705,000)	$78,705,000	($3,000,000)
2028	($2,008,487)	($78,705,000)	$78,705,000	($3,000,000)
2029	($1,973,707)	($78,705,000)	$78,705,000	($3,000,000)
2030	($2,008,487)	($78,705,000)	$78,705,000	($3,000,000)

Fiscal Year	*Change in Number of State Employees from FY 2025*
2026	12.0
2027	12.0
2028	12.0
2029	12.0
2030	12.0

Fiscal Analysis

The bill would amend the Government Code by adding Chapter 483 to create the Texas Advanced Nuclear Energy Office (Office) within the Office of the Governor (OOG) in order to promote and develop advanced nuclear reactor projects. The bill would direct the Office to conduct a study of the necessity and feasibility of taking on regulatory functions for nuclear energy facilities. The report would be submitted to the Legislature not later than December 1, 2026.

The Governor would appoint a director of the Office to advise the Public Utility Commission (PUC) on grants, administer a grant program, establish standards for proper use of funding, facilitate advanced nuclear reactor projects, and hire necessary staff. The director may employ a nuclear permitting coordinator according to certain criteria.

The bill would create the Texas Advanced Nuclear Development Fund (Fund) as a dedicated account in the General Revenue Fund. The Fund would be created for the purpose of providing reimbursement grants to businesses, nonprofit organizations, and governmental entities, including institutions of higher education; and provide for administration costs associated with the Office. Under the provisions of the bill, the new fund would be composed of gifts, grants, or donations to the fund; and money from any other source designated by the Legislature.

The bill would establish certain requirements for reimbursement grant programs for project Development and Supply Chain, and Advanced Nuclear Construction. The Office would evaluate an application for a grant according to certain criteria.

The Office, the Fund, and the reimbursement grant programs would expire August 31, 2040.

The bill would amend the Labor Code to create the Advanced Nuclear Energy Workforce Development Program and direct the Texas Workforce Commission (TWC) to collaborate with the Office and the Higher Education Coordinating Board (THECB) to establish the workforce program according to certain criteria. The bill would direct the TWC to submit a report to each standing committee of the Legislature not later than September 1 of each year.

The bill would amend the Utilities Code to create a Completion Grant program allowing the PUC to provide a grant for costs associated with the completion and operation of an advanced nuclear reactor project. The PUC would establish by rule certain aspects of the program. The bill would direct the PUC to establish the Nuclear Grant Program Account (Account) as a separate account within the Texas Energy Fund to provide for the completion grant program. The bill would direct PUC to transfer to the Account returns received after September 1, 2025, from the investment of money in the Texas Energy Fund; unspent money remaining in the Texas Energy Fund on May 31, 2029; and money repaid to the Texas Energy Fund from loan recipients.

Methodology

It is anticipated that the OOG would need 10 additional FTEs in order to support the TANDO: 1 Director VI, 1 License and Permit Specialist V, 0.5 Compliance Analyst IV, 1 Financial Analyst IV, 1 Research Specialist IV, 1 Grant Specialist III, 1 Attorney IV, 1 Information Technology Support Specialist V, 0.5 Systems Analyst I, 0.5 Accountant V, 0.5 Human Resource Specialist III, and 1 Project Manager IV. The total estimate for FTE-related costs, training, travel, and various operating costs in the 202627 biennium for the OOG associated with the TANDO is anticipated to be $3,376,353.

The PUC anticipates need of 2 additional FTEs (1 Project Manager III-V and 1 Management Analyst III-IV). The total estimate for FTE-related costs, travel, and various operating costs in the 2026-27 biennium for the PUC associated with the bill is anticipated to be $690,147.

Additionally, the PUC anticipated a cost of $3,000,000 per year to the Texas Nuclear Energy Fund for contracting costs to administer the fund. This cost would be in addition to the existing contract for the Texas Energy Fund.

This analysis assumes any cost to the THECB or the TWC would be absorbed within existing resources.

Note: This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recrate a special or trust fund either in, with, or outside the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Technology

PUC anticipates information technology expenditures of $5,400 per year.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 300 Trusteed Programs Within the Office of the Governor, 304 Comptroller of Public Accounts, 320 Texas Workforce Commission, 473 Public Utility Commission of Texas, 781 Higher Education Coordinating Board

LBB Staff: JMc, WP, LCO, KCu

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

March 18, 2025

TO: Honorable Ken King, Chair, House Committee on State Affairs

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: **HB14** by Harris (Relating to funding mechanisms within the Office of the Governor and Texas Public Utility Commission to support the deployment of advanced nuclear reactors in this state.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB14, As Introduced: a negative impact of ($4,598,957) through the biennium ending August 31, 2027.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to *General Revenue Related Funds*
2026	($2,364,421)
2027	($2,234,536)
2028	($2,269,316)
2029	($2,234,536)
2030	($2,269,316)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from *General Revenue Fund* 1	Probable Revenue Gain/(Loss) from *Texas Energy Fund* 176	Probable Revenue Gain/(Loss) from *Texas Advanced Nuclear Energy Fund*	Probable Savings/(Cost) from *Texas Advanced Nuclear Energy Fund*
2026	($2,364,421)	($132,922,000)	$132,922,000	($3,000,000)
2027	($2,234,536)	($78,705,000)	$78,705,000	($3,000,000)
2028	($2,269,316)	($78,705,000)	$78,705,000	($3,000,000)
2029	($2,234,536)	($78,705,000)	$78,705,000	($3,000,000)
2030	($2,269,316)	($78,705,000)	$78,705,000	($3,000,000)

Fiscal Year	*Change in Number of State Employees from FY 2025*
2026	14.0
2027	14.0
2028	14.0
2029	14.0
2030	14.0

Fiscal Analysis

The bill would amend the Government Code to create the Texas Advanced Nuclear Energy Program (Program) and establish the Texas Advanced Nuclear Deployment Office (TANDO), administratively attached to the OOG, in order to advance nuclear generation technologies and energy solutions to address the state's growing energy demand. The director of TANDO would be appointed by the Governor. OOG would provide administrative support to the TANDO.

The bill would direct the Public Utility Commission of Texas (PUC) to establish an account for the Program under the Texas Energy Fund 0176. The PUC would use money in the Program account without further appropriation to provide grants for the development of advanced nuclear reactor projects. Money in the Program account would only be used to administer certain grants.

The Office and the Program would expire September 1, 2040.

The bill would amend the Labor Code to create the Advanced Nuclear Workforce Development Program and direct PUC to collaborate with the TANDO and the Higher Education Coordinating Board (THECB) to administer an advanced nuclear workforce development program.

The bill would amend the Utilities Code to create the Texas Advanced Nuclear Energy Fund and direct PUC to provide certain grants and direct any interest earned, unspent funds, or loan repayment to be deposited to the Program account.

Methodology

It is anticipated that the OOG would need 10 additional FTEs in order to support the TANDO: 1 Director VI, 1 License and Permit Specialist V, 0.5 Compliance Analyst IV, 1 Financial Analyst IV, 1 Research Specialist IV, 1 Grant Specialist III, 1 Attorney IV, 1 Information Technology Support Specialist V, 0.5 Systems Analyst I, 0.5 Accountant V, 0.5 Human Resource Specialist III, and 1 Project Manager IV. The total estimate for FTE-related costs, training, travel, and various operating costs in the 2026-27 biennium for the OOG associated with the TANDO is anticipated to be $3,376,353.

The PUC anticipates need of 4 additional FTEs to implement the provisions of the bill: 1 Project Manager III-V, 1 Grant Specialist III-V, 1 Management Analyst III-IV, and 1 Program Specialist IV-V. The total estimate for FTE-related costs, travel, and various operating costs in the 2026-27 biennium for the PUC associated with the bill is anticipated to be $1,201,004.

Additionally, the PUC anticipates a cost of $3,000,000 per year to the Texas Advanced Nuclear Energy Fund for contracting costs to administer the fund. This cost would be in addition to the existing contract for the Texas Energy Fund.

This analysis assumes "fund" refers to the Texas Advanced Nuclear Energy Fund.

The Comptroller of Public Accounts (CPA) assumes the purposes of the bill would be consistent with the uses of the Texas Energy Fund in the Texas Constitution, Article III, Section 49-q(b). The CPA indicates a constitutional amendment would be required in order to accomplish the purposes of the bill. The CPA assumes the amount of interest earned on the balance of the Texas Energy Fund, as estimated in the 2026-27 Biennial Revenue Estimate. The repayment of loans is not anticipated to begin until after 2030, and it is assumed there are no unspent funds in the Texas Energy Fund.

This analysis assumes any cost to the THECB would be absorbed within existing resources.

Note: This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either in, with, or outside the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Technology

PUC anticipates information technology expenditures of $10,800 per year.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 300 Trusteed Programs Within the Office of the Governor, 304 Comptroller of Public Accounts, 473 Public Utility Commission of Texas, 781 Higher Education Coordinating Board

LBB Staff: JMc, WP, LCO, KCu