

BILL ANALYSIS

Senate Research Center

H.B. 2839
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Engrossed

This analysis is based on the House Committee Report, which is the most recent version available to the Senate Research Center.

DIGEST AND PURPOSE

Inefficient energy practices in private homes and apartments cause utilities to burn more fuel, which contributes to the emission of greenhouse gases. The importance of this is underscored by the fact that the United States emits one-fifth of the world's total greenhouse gases and Texas is the single largest contributor to the nation's greenhouse gas emissions. Increasing the efficiency of energy consumption in Texas would have significant impacts on both the state's air quality and energy resources.

Increasing energy efficiency in residential housing could not only have environmental benefits, but would also serve consumers by providing them with lower utility bills. Currently, there is little incentive for increasing the energy efficiency of new and existing residential housing. Some states around the nation are developing programs to award energy efficient mortgages and other financing incentives to encourage the construction and upgrade of residential housing. H.B. 2839 establishes the Texas Energy Assistance Loan Program and authorizes the state energy conservation office of the General Services Commission to adopt rules to implement the program.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the state energy conservation office of the General Services Commission in SECTION 1 (Sections 2305.102 and 2305.105, Government Code) of this bill.

SECTION BY SECTION

H.B. 2839 amends the Government Code to require the state energy conservation office of the General Services Commission (office) to implement and maintain the Texas Energy Assistance Loan Program (program) (Sec. 2305.102).

Under the program, the office is required to:

- coordinate the delivery and marketing of mortgage incentives to purchase energy-efficient residential housing and to improve the energy efficiency of existing residential housing;
- provide training and technical assistance;
- provide educational workshops or seminars on the benefits of the program;
- develop and purchase assessment tools, including software and monitoring equipment;
- develop a database to track energy efficiency improvements in the state;

- provide follow-up evaluation of homeowner responsiveness to, understanding of, and satisfaction with energy efficiency improvements;
- conduct market penetration studies; and
- implement projects and other initiatives that the office may develop to promote energy-efficient residential housing.

The bill requires the office to establish a system for monitoring and evaluating the program and to consult with other appropriate state agencies to ensure coordination and avoid duplication of activities. The bill authorizes the office to adopt rules necessary to implement the Act (Sec. 2305.102).

The bill requires the office to fund projects and initiatives and to maximize procurement of funds from alternative sources (Sec. 2305.103). The bill sets forth provisions requiring the office to promote voluntary participation; annually issue, by rule, voluntary participation guidelines; and consult with an advisory task force to develop the guidelines and procedures for the program (Secs. 2305.104 - 2305.106).

The bill requires the office to develop and implement a homebuyer mortgage project, an energy efficiency improvement project, an agricultural equipment mortgage project, and a home rating and mortgage marketing project for delivering efficiency mortgage and improvement loans (Secs. 2305.107 - 2305.110).

The bill requires the office to deliver the first set of guidelines required by the Act no later than January 1, 2002.

Effective date: September 1, 2001.