BILL ANALYSIS

H.B. 4493 By: Deshotel Environmental Regulation Committee Report (Unamended)

BACKGROUND AND PURPOSE

It has been noted that supplemental environmental projects allow local governments to administer environmentally beneficial projects, but concerns have been raised regarding the continued use of a supplemental environmental project for vehicle replacement. H.B. 4493 seeks to address these concerns by providing for certain supplemental environmental projects relating to alternative fuel vehicles.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 4493 amends the Water Code to authorize the Texas Commission on Environmental Quality (TCEQ) to determine the types of projects that may be approved as a supplemental environmental project. The bill requires those types of projects to include the following for a respondent that is a local government:

- purchasing, operating, or maintaining:
 - o alternative fuel vehicles, including passenger cars, light trucks, heavy trucks, and buses; and
 - alternative fuel heavy equipment, including tractors, bulldozers, front-end loaders, and motor graders;
- constructing, operating, or maintaining alternative fuel refueling infrastructure necessary to operate an alternative fuel fleet; and
- providing energy efficiency upgrades to buildings and facilities owned by the local government, including heating, ventilation, air conditioning, lighting, and building envelope upgrades.

The bill requires TCEQ, for a supplemental environmental project involving alternative fuel vehicles, to allow the project to include the entire cost of the vehicle and any alternative fuel equipment or upgrades involved and prohibits TCEQ from limiting the project to including only the difference in cost between conventional fuel vehicles, equipment, or upgrades and the alternative fuel counterparts. The bill prohibits TCEQ from requiring a contract associated with a supplemental environmental project to be for a term of less than five years and requires TCEQ to allow a contract associated with a supplemental environmental project to be renewable for periods of at least five years.

EFFECTIVE DATE

September 1, 2019.

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