

1-1 By: Birdwell, Nichols S.B. No. 1263
 1-2 (In the Senate - Filed March 9, 2021; March 18, 2021, read
 1-3 first time and referred to Committee on Natural Resources &
 1-4 Economic Development; April 21, 2021, reported adversely, with
 1-5 favorable Committee Substitute by the following vote: Yeas 8,
 1-6 Nays 0; April 21, 2021, sent to printer.)

1-7 COMMITTEE VOTE

| | Yea | Nay | Absent | PNV |
|------|-----|-----|--------|-----|
| 1-8 | | | | |
| 1-9 | X | | | |
| 1-10 | X | | | |
| 1-11 | X | | | |
| 1-12 | X | | | |
| 1-13 | X | | | |
| 1-14 | X | | | |
| 1-15 | X | | | |
| 1-16 | | | X | |
| 1-17 | X | | | |

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 1263 By: Birdwell

1-19 A BILL TO BE ENTITLED
 1-20 AN ACT

1-21 relating to the Texas emissions reduction plan fund.
 1-22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
 1-23 SECTION 1. Section 386.051(b), Health and Safety Code, is
 1-24 amended to read as follows:
 1-25 (b) Under the plan, the commission and the comptroller shall
 1-26 provide grants or other funding for:
 1-27 (1) the diesel emissions reduction incentive program
 1-28 established under Subchapter C, including for infrastructure
 1-29 projects established under that subchapter;
 1-30 (2) the motor vehicle purchase or lease incentive
 1-31 program established under Subchapter D;
 1-32 (3) the air quality research support program
 1-33 established under Chapter 387;
 1-34 (4) the clean school bus program established under
 1-35 Chapter 390;
 1-36 (5) the new technology implementation grant program
 1-37 established under Chapter 391;
 1-38 (6) the regional air monitoring program established
 1-39 under Section 386.252(a);
 1-40 (7) a health effects study as provided by Section
 1-41 386.252(a);
 1-42 (8) air quality planning activities as provided by
 1-43 Section 386.252(d);
 1-44 (9) a contract with the Energy Systems Laboratory at
 1-45 the Texas A&M Engineering Experiment Station for computation of
 1-46 creditable statewide emissions reductions as provided by Section
 1-47 386.252(a);
 1-48 (10) the Texas clean fleet program established under
 1-49 Chapter 392;
 1-50 (11) the Texas alternative fueling facilities program
 1-51 established under Chapter 393;
 1-52 (12) the Texas natural gas vehicle grant program
 1-53 established under Chapter 394;
 1-54 (13) other programs the commission may develop that
 1-55 lead to reduced emissions of nitrogen oxides, particulate matter,
 1-56 or volatile organic compounds in a nonattainment area or affected
 1-57 county;
 1-58 (14) other programs the commission may develop that
 1-59 support congestion mitigation to reduce mobile source ozone
 1-60 precursor emissions;

2-1 (15) the seaport and rail yard areas emissions
2-2 reduction program established under Subchapter D-1;

2-3 (16) conducting research and other activities
2-4 associated with making any necessary demonstrations to the United
2-5 States Environmental Protection Agency to account for the impact of
2-6 foreign emissions or an exceptional event;

2-7 (17) studies of or pilot programs for incentives for
2-8 port authorities located in nonattainment areas or affected
2-9 counties as provided by Section 386.252(a); ~~and~~

2-10 (18) the governmental alternative fuel fleet grant
2-11 program established under Chapter 395; and

2-12 (19) remittance of funds to the state highway fund for
2-13 use by the Texas Department of Transportation for congestion
2-14 mitigation and air quality improvement projects in nonattainment
2-15 areas.

2-16 SECTION 2. Section 386.057, Health and Safety Code, is
2-17 amended by adding Subsection (e) to read as follows:

2-18 (e) Not later than October 1 of each year, the Texas
2-19 Department of Transportation shall report to the commission the
2-20 following information for all congestion mitigation and air quality
2-21 improvement projects in nonattainment areas that are planned to be
2-22 funded, or received initial funding during the preceding 10 years,
2-23 from money received by the department under Section 386.250:

2-24 (1) projects to mitigate congestion and improve air
2-25 quality that are currently planned;

2-26 (2) projects to mitigate congestion and improve air
2-27 quality that have been completed;

2-28 (3) estimated emissions reductions for all planned and
2-29 completed congestion mitigation projects; and

2-30 (4) estimated cost per ton analysis of reduced
2-31 emissions of nitrogen oxides, particulate matter, or volatile
2-32 organic compounds for each congestion mitigation project planned or
2-33 completed.

2-34 SECTION 3. Section 386.250, Health and Safety Code, as
2-35 effective September 1, 2021, is amended by amending Subsection (c)
2-36 and adding Subsection (d) to read as follows:

2-37 (c) The commission shall remit 40 percent of the amount
2-38 deposited to the credit of the fund to the state highway fund for
2-39 use by the Texas Department of Transportation for projects
2-40 described by Section 386.051(b)(19).

2-41 (d) Not later than the 30th day after the last day of each
2-42 state fiscal biennium, the commission shall transfer the
2-43 unencumbered balance of the fund remaining on the last day of the
2-44 state fiscal biennium to the credit of the state highway fund for
2-45 use by the Texas Department of Transportation for projects
2-46 described by Section 386.051(b)(19) [~~Texas emissions reduction~~
2-47 plan account].

2-48 SECTION 4. Section 386.251(c), Health and Safety Code, as
2-49 effective September 1, 2021, is amended to read as follows:

2-50 (c) The account consists of its accumulated balance [~~and the~~
2-51 amount of money transferred to the account under Section
2-52 386.250(e)].

2-53 SECTION 5. Section 501.138, Transportation Code, is amended
2-54 by amending Subsections (b-1), (b-2), and (b-3) and adding
2-55 Subsection (b-4) to read as follows:

2-56 (b-1) Except as provided by Subsection (b-4), fees [~~Fees~~
2-57 collected under Subsection (b) to be sent to the comptroller shall
2-58 be deposited to the credit of the Texas [~~Mobility Fund, except that~~
2-59 \$5 of each fee imposed under Subsection (a)(1) and deposited on or
2-60 after September 1, 2008, and before September 1, 2015, shall be
2-61 deposited to the credit of the Texas] emissions reduction plan
2-62 fund.

2-63 (b-2) The comptroller shall establish a record of the amount
2-64 of the fees deposited to the credit of the Texas emissions reduction
2-65 plan fund [~~Mobility Fund~~] under Subsection (b-1). On or before the
2-66 fifth workday of each month, the Texas Department of Transportation
2-67 shall remit to the comptroller for deposit to the credit of the
2-68 Texas Mobility Fund [~~emissions reduction plan fund~~] an amount of
2-69 money equal to the amount of the fees deposited by the comptroller

3-1 to the credit of the Texas emissions reduction plan fund [~~Mobility~~
3-2 ~~Fund~~] under Subsection (b-1) in the preceding month. The Texas
3-3 Department of Transportation shall use for remittance to the
3-4 comptroller as required by this subsection money in the state
3-5 highway fund that is not required to be used for a purpose specified
3-6 by Section 7-a, Article VIII, Texas Constitution, and may not use
3-7 for that remittance money received by this state under the
3-8 congestion mitigation and air quality improvement program
3-9 established under 23 U.S.C. Section 149.

3-10 (b-3) This subsection and Subsections (b-1) and
3-11 [~~Subsection~~] (b-2) expire on the last day of the state fiscal
3-12 biennium during which the Texas Commission on Environmental Quality
3-13 publishes in the Texas Register the notice required by Section
3-14 382.037, Health and Safety Code.

3-15 (b-4) Fees collected under Subsection (b) to be sent to the
3-16 comptroller shall be deposited to the credit of the Texas Mobility
3-17 Fund if the fees are collected on or after the last day of the state
3-18 fiscal biennium during which the Texas Commission on Environmental
3-19 Quality publishes in the Texas Register the notice required by
3-20 Section 382.037, Health and Safety Code.

3-21 SECTION 6. The change in law made by this Act to Section
3-22 501.138, Transportation Code, applies only to a fee collected on or
3-23 after the effective date of this Act. A fee collected before the
3-24 effective date of this Act is governed by the law in effect when the
3-25 fee was collected, and the former law is continued in effect for
3-26 that purpose.

3-27 SECTION 7. This Act takes effect September 1, 2021.

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