

1-1 By: Harris, et al. (Senate Sponsor - Schwertner) H.B. No. 14  
 1-2 (In the Senate - Received from the House April 23, 2025;  
 1-3 April 24, 2025, read first time and referred to Committee on  
 1-4 Business & Commerce; May 26, 2025, reported adversely, with  
 1-5 favorable Committee Substitute by the following vote: Yeas 9,  
 1-6 Nays 1, 1 present not voting; May 26, 2025, 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		X		
1-19	X			

1-20 COMMITTEE SUBSTITUTE FOR H.B. No. 14 By: Campbell

1-21 A BILL TO BE ENTITLED  
 1-22 AN ACT

1-23 relating to support for the development of the nuclear energy  
 1-24 industry.

1-25 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-26 SECTION 1. Subtitle F, Title 4, Government Code, is amended  
 1-27 by adding Chapter 483 to read as follows:

1-28 CHAPTER 483. TEXAS ADVANCED NUCLEAR ENERGY OFFICE

1-29 SUBCHAPTER A. GENERAL PROVISIONS

1-30 Sec. 483.001. DEFINITIONS. In this chapter:

1-31 (1) "Advanced nuclear project" means an electric  
 1-32 generation facility that relies on an advanced nuclear reactor to  
 1-33 generate power, steam, or heat, a nuclear fuel cycle facility that  
 1-34 supplies advanced nuclear reactors, or associated technologies  
 1-35 supporting the advanced nuclear energy industry.

1-36 (2) "Advanced nuclear reactor" means a range of  
 1-37 nuclear reactor technologies determined by the office to be either  
 1-38 of generation III or generation IV, including large light water  
 1-39 reactors, small modular reactors, microreactors, and nuclear  
 1-40 cogeneration.

1-41 (3) "Construction permit" means a permit issued by the  
 1-42 regulatory commission for the construction of:

1-43 (A) a nuclear production or utilization  
 1-44 facility; or

1-45 (B) a research or test reactor that contributes  
 1-46 to the future commercialization of that research or test reactor  
 1-47 technology.

1-48 (4) "Director" means the director of the office.

1-49 (5) "License" means a license issued by the regulatory  
 1-50 commission that authorizes the license holder to construct and  
 1-51 operate a nuclear power facility, such as a nuclear plant at a  
 1-52 specific site, with specified conditions.

1-53 (6) "Office" means the Texas Advanced Nuclear Energy  
 1-54 Office established under Subchapter B.

1-55 (7) "Regulatory commission" means the United States  
 1-56 Nuclear Regulatory Commission.

1-57 (8) "Utility commission" means the Public Utility  
 1-58 Commission of Texas.

1-59 Sec. 483.002. EXPIRATION. This chapter expires September  
 1-60 1, 2040.

SUBCHAPTER B. TEXAS ADVANCED NUCLEAR ENERGY OFFICE

2-2 Sec. 483.101. ESTABLISHMENT AND PURPOSE OF OFFICE. (a) The  
 2-3 Texas Advanced Nuclear Energy Office is an office within the office  
 2-4 of the governor.

2-5 (b) The purposes of the office are to:

2-6 (1) provide strategic leadership for the advanced  
 2-7 nuclear reactor system in this state;

2-8 (2) collaborate with interested stakeholders and  
 2-9 state and local leaders to craft a statewide strategic advanced  
 2-10 nuclear energy public outreach program;

2-11 (3) promote the development of advanced nuclear  
 2-12 reactors for dispatchable electric generation while creating  
 2-13 high-wage advanced manufacturing jobs in this state;

2-14 (4) lead the transition to a balanced energy future by  
 2-15 advancing innovative nuclear energy generation technologies while  
 2-16 delivering safe, reliable, and clean energy solutions that address  
 2-17 the state's growing demand;

2-18 (5) enhance the state's energy security, foster  
 2-19 economic growth, and ensure the safety of future nuclear energy  
 2-20 generation development;

2-21 (6) identify barriers to the financial viability of  
 2-22 nuclear energy generation and regulatory and licensing  
 2-23 complexities that increase risk to developers of nuclear energy;

2-24 (7) leverage the expertise and capacity of  
 2-25 institutions of higher education, the nuclear energy industry, the  
 2-26 industrial manufacturing sector, and regulatory stakeholders to  
 2-27 develop a comprehensive strategic plan to ensure the development of  
 2-28 advanced nuclear energy and associated technologies in this state;  
 2-29 and

2-30 (8) support the development of an advanced nuclear  
 2-31 energy supply chain and associated technologies in this state.

2-32 (c) The office may:

2-33 (1) subject to Subsection (d), solicit and accept  
 2-34 gifts, grants, or loans from and contract with any entity;

2-35 (2) establish ad hoc advisory committees as necessary  
 2-36 to carry out the office's duties under this chapter; and

2-37 (3) exercise any other power necessary to carry out  
 2-38 this chapter.

2-39 (d) The office may not accept a gift, grant, or loan from or  
 2-40 contract with an applicant for or a beneficiary of a grant provided  
 2-41 under Subchapter C.

2-42 (e) The office may adopt and enforce rules necessary to  
 2-43 carry out this chapter.

2-44 (f) The office and the utility commission, with the  
 2-45 assistance of any other state entity the office or the utility  
 2-46 commission determines is necessary, shall conduct a study to  
 2-47 identify necessary state regulatory functions related to nuclear  
 2-48 energy generation facilities in this state. The office shall  
 2-49 submit the study to the legislature not later than December 1, 2026.  
 2-50 This subsection expires August 31, 2027.

2-51 Sec. 483.102. DIRECTOR; DUTIES. (a) The governor shall  
 2-52 employ a director of the office. The director serves at the pleasure  
 2-53 of the governor.

2-54 (b) The director must have demonstrated:

2-55 (1) experience in the field of advanced nuclear  
 2-56 energy; and

2-57 (2) executive and organizational ability.

2-58 (c) The director may not have any direct or indirect  
 2-59 interests that substantially conflict with the director's duties.

2-60 (d) The director shall:

2-61 (1) manage the affairs of the office;

2-62 (2) advise the utility commission on the provision of  
 2-63 grants from the Texas energy fund under Chapter 34, Utilities Code,  
 2-64 for nuclear energy generation facilities;

2-65 (3) administer programs established by this chapter;

2-66 (4) establish appropriate milestones and standards to  
 2-67 ensure proper use of money under this chapter; and

2-68 (5) facilitate the location, expansion, and retention  
 2-69 of advanced nuclear reactors and advanced nuclear projects in this

3-1 state.

3-2 (e) The director may hire staff as necessary to implement  
3-3 the duties of the office under this chapter.

3-4 Sec. 483.103. STRATEGIC PLAN. Not later than December 1 of  
3-5 each even-numbered year, the director shall submit to the governor  
3-6 and Legislative Budget Board a strategic plan for furthering the  
3-7 goals, purposes, and objectives established by this chapter.

3-8 Sec. 483.104. NUCLEAR PERMITTING COORDINATOR. (a) The  
3-9 director may employ a nuclear permitting coordinator to assist  
3-10 businesses throughout the nuclear energy permitting and regulatory  
3-11 process.

3-12 (b) A nuclear permitting coordinator must have:

3-13 (1) a demonstrated familiarity with the permitting and  
3-14 regulatory process in this state; and

3-15 (2) a network of contacts within the government of  
3-16 this state.

3-17 (c) The nuclear permitting coordinator shall:

3-18 (1) act as a single point of contact for stakeholders  
3-19 during the nuclear energy permitting and regulatory process;

3-20 (2) identify active or likely siting opportunities and  
3-21 required permits and approvals for nuclear energy generation sites  
3-22 and key personnel; and

3-23 (3) provide assistance for regulated persons  
3-24 navigating local, state, and federal regulations for nuclear energy  
3-25 generation facilities.

3-26 (d) The nuclear permitting coordinator shall make any  
3-27 assistance provided under this section equally available to all  
3-28 businesses engaged in the nuclear energy permitting and regulatory  
3-29 process.

3-30 (e) The nuclear permitting coordinator shall document all  
3-31 activities carried out in the provision of assistance under this  
3-32 section and make that information available to the public on  
3-33 request.

3-34 SUBCHAPTER C. TEXAS ADVANCED NUCLEAR DEVELOPMENT FUND; GRANT  
3-35 PROGRAMS

3-36 Sec. 483.201. TEXAS ADVANCED NUCLEAR DEVELOPMENT FUND. (a)  
3-37 The Texas advanced nuclear development fund is created as a  
3-38 dedicated account in the general revenue fund. The fund consists  
3-39 of:

3-40 (1) subject to Section 483.101(d), gifts, grants, or  
3-41 donations to the fund; and

3-42 (2) money from any other source designated by the  
3-43 legislature.

3-44 (b) The office may use money in the fund:

3-45 (1) to provide reimbursement-based grants to  
3-46 businesses, nonprofit organizations, and governmental entities,  
3-47 including institutions of higher education, through the programs  
3-48 established in this subchapter; and

3-49 (2) to pay for reasonable and necessary costs for  
3-50 staff support necessary to facilitate the work of the office.

3-51 Sec. 483.202. REIMBURSEMENT GRANT PROGRAMS ESTABLISHED.

3-52 (a) The office shall establish grant programs under this  
3-53 subchapter and the director shall administer those programs.

3-54 (b) The office may provide a grant under this subchapter  
3-55 only to reimburse expenses paid by a recipient using the  
3-56 recipient's or the recipient's project partner's own funds. An  
3-57 applicant for a grant under this subchapter may have received  
3-58 financial assistance or incentives from a local, state, or federal  
3-59 source, but the office may not provide a grant under this subchapter  
3-60 to reimburse expenses paid by a recipient or the recipient's  
3-61 project partner using financial assistance or incentives from the  
3-62 local, state, or federal source. An applicant shall provide the  
3-63 office with detailed information regarding any financial  
3-64 assistance or incentives requested or received for the project for  
3-65 which it is requesting grant funds.

3-66 (c) The office shall submit to the lieutenant governor and  
3-67 the speaker of the house of representatives a notice of each grant  
3-68 the office proposes to approve. The office may not approve the  
3-69 grant if both those officers submit a written communication to the

4-1 office disapproving the grant on or before the 30th day after the  
 4-2 date the office submits the notice of the proposed grant to those  
 4-3 officers. The lieutenant governor or speaker of the house of  
 4-4 representatives may extend the review deadline for an additional 14  
 4-5 days by submitting a written notice to that effect to the office  
 4-6 before the expiration of the initial review period.

4-7 (d) Before awarding a grant under this subchapter, the  
 4-8 office shall enter into a written agreement with the grant  
 4-9 recipient. A written agreement under this subsection must:

4-10 (1) specify benchmarks and milestones for the  
 4-11 completion of the project for which the grant is provided; and

4-12 (2) require the grant recipient to repay to the state  
 4-13 money received if the recipient fails to reach the specified  
 4-14 benchmarks.

4-15 (e) The office may not during a state fiscal biennium award  
 4-16 out of money appropriated for grants under this subchapter a total  
 4-17 amount greater than:

4-18 (1) for grants provided under Section 483.203, 20  
 4-19 percent of the appropriated money; and

4-20 (2) for grants provided under Section 483.204, 80  
 4-21 percent of the appropriated money.

4-22 Sec. 483.203. PROJECT DEVELOPMENT AND SUPPLY CHAIN  
 4-23 REIMBURSEMENT PROGRAM. (a) The office may provide a reimbursement  
 4-24 grant from the Texas advanced nuclear development fund under this  
 4-25 section for the expenses associated with or required for initial  
 4-26 development of an advanced nuclear project in this state.

4-27 (b) Expenses that qualify for reimbursement under this  
 4-28 section are limited to expenses attributable or allocable to:

4-29 (1) technology development, including university  
 4-30 technology development;

4-31 (2) feasibility studies;

4-32 (3) site planning, including conceptual site-specific  
 4-33 engineering studies;

4-34 (4) front-end engineering design;

4-35 (5) site and environmental characterization;

4-36 (6) regulatory commission early site permit work;

4-37 (7) preparation of the construction permit or license  
 4-38 application to the regulatory commission;

4-39 (8) developing manufacturing capacity and readiness;

4-40 (9) fuel processing, manufacturing, and fabrication  
 4-41 activities essential to the fuel cycle supply;

4-42 (10) preparation of local, state, and nonregulatory  
 4-43 commission federal permits; and

4-44 (11) regulatory commission licensing fees.

4-45 (c) To be eligible for a reimbursement grant under this  
 4-46 section, an applicant must provide with an application proof of  
 4-47 incurred expenses described by Subsection (b).

4-48 (d) A grant provided under this section may not exceed the  
 4-49 lesser of:

4-50 (1) 50 percent of the amount of qualifying expenses  
 4-51 associated with the project; or

4-52 (2) \$12.5 million.

4-53 (e) The office by rule shall establish procedures for the  
 4-54 application for and provision of a grant under this section.

4-55 Sec. 483.204. ADVANCED NUCLEAR CONSTRUCTION REIMBURSEMENT  
 4-56 PROGRAM. (a) The office may provide a reimbursement grant from the  
 4-57 Texas advanced nuclear development fund under this section for  
 4-58 expenses associated with the construction of an advanced nuclear  
 4-59 project in this state.

4-60 (b) Expenses that qualify for reimbursement under this  
 4-61 section are limited to expenses associated with:

4-62 (1) the regulatory commission's review of the  
 4-63 construction permit or license application;

4-64 (2) procurement and development of long-lead  
 4-65 components; or

4-66 (3) construction activities, including the  
 4-67 manufacture, fabrication, quality assurance, placement, erection,  
 4-68 installation, modification, inspection, or testing of an advanced  
 4-69 nuclear project.

5-1 (c) To be eligible for a reimbursement grant under this  
5-2 section, an applicant must provide with an application proof of  
5-3 incurred expenses described by Subsection (b).

5-4 (d) A grant provided under this section may not exceed the  
5-5 lesser of:

5-6 (1) 50 percent of the amount of qualifying expenses  
5-7 associated with the project; or

5-8 (2) \$100 million.

5-9 (e) The office by rule shall establish procedures for the  
5-10 application for and provision of a grant under this section.

5-11 (f) The office may not provide a reimbursement grant for a  
5-12 project under this section until the regulatory commission has  
5-13 docketed a construction permit or license application for the  
5-14 project.

5-15 (g) The office by rule shall establish a process to  
5-16 distribute the proceeds of each grant awarded under this section to  
5-17 the grant recipient on a rolling basis for qualifying expenses. The  
5-18 process must include milestones associated with:

5-19 (1) the regulatory commission's permitting process;  
5-20 and

5-21 (2) the recipient's financial investment decisions  
5-22 relating to the project.

5-23 Sec. 483.205. COMPLETION BONUS GRANT PROGRAM FOR  
5-24 GRID-CAPABLE REACTORS. (a) The office may provide a grant under  
5-25 this subchapter for the costs associated with the completion and  
5-26 operation of an advanced nuclear reactor in this state that is  
5-27 capable of interconnection with the ERCOT power grid.

5-28 (b) The office, in consultation with the utility  
5-29 commission, by rule shall establish the amount of a grant the office  
5-30 will provide under this section on a per megawatt basis according to  
5-31 the generation capacity of the advanced nuclear reactor.

5-32 (c) The office, in consultation with the utility  
5-33 commission, by rule shall establish procedures for:

5-34 (1) the application for and award of a grant under this  
5-35 section;

5-36 (2) the administration of the grant program; and

5-37 (3) providing grants according to a tiered system  
5-38 based on the amount of electricity in megawatts provided to the  
5-39 ERCOT power grid by an advanced nuclear reactor.

5-40 Sec. 483.206. GRANT APPLICATION EVALUATION. The office  
5-41 shall evaluate each application for a grant under this subchapter  
5-42 based on:

5-43 (1) the grant applicant's:

5-44 (A) quality of services and management;

5-45 (B) efficiency of operations;

5-46 (C) access to resources essential for operating  
5-47 the project for which the grant is requested, such as land, water,  
5-48 and reliable infrastructure, as applicable;

5-49 (D) application for or docketing of a permit or  
5-50 license with the regulatory commission; and

5-51 (E) ability to repay the grant if project  
5-52 benchmarks are not met; and

5-53 (2) the project's potential benefit to this state.

5-54 Sec. 483.207. CONFIDENTIALITY. Information submitted to  
5-55 the office in an application for a grant under this subchapter is  
5-56 confidential and not subject to disclosure under Chapter 552.

5-57 SECTION 2. The office of the governor is required to  
5-58 implement the changes in law made by this Act only if the  
5-59 legislature appropriates money specifically for that purpose. If  
5-60 the legislature does not appropriate money specifically for that  
5-61 purpose, the office of the governor may, but is not required to,  
5-62 implement those changes in law using other appropriations available  
5-63 for that purpose.

5-64 SECTION 3. This Act takes effect September 1, 2025.

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