

By: Bohac

H. B. No. 3656

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the Texas emissions reduction plan, including the motor
3 vehicle purchase or lease incentive program under the plan.

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

5 SECTION 1. Section 382.0622, Health and Safety Code, is
6 amended by adding Subsection (e) to read as follows:

7 (e) Money deposited to the credit of the clean air account
8 that is not otherwise dedicated by law for another purpose may be
9 used to implement and administer the motor vehicle purchase or
10 lease incentive program established under Subchapter D, Chapter
11 386. This subsection expires on the date Chapter 386 expires.

12 SECTION 2. Section 386.153, Health and Safety Code, is
13 amended to read as follows:

14 Sec. 386.153. LIGHT-DUTY MOTOR VEHICLE PURCHASE OR LEASE
15 INCENTIVE SCHEDULE. (a) In this section, "total consideration"
16 has the meaning assigned by Section 152.002, Tax Code.

17 (b) A new light-duty motor vehicle is eligible for an
18 incentive according to the following schedule:

24 [Incentive emissions standard and incentive amount]

~~Model year 2003-2007~~

~~[Bin 4 \$1,250]~~

~~[Bin 3 \$2,225]~~

~~[Bin 2 \$3,750]~~

~~Bin 1 \$5,000~~

SECTION 3. Subchapter D, Chapter 386, Health and Safety

7 Code, is amended by adding Section 386.157 to read as follows:

8 Sec. 386.157. INFORMATION RELATED TO MOTOR VEHICLE
9 EMISSIONS. (a) Each manufacturer of motor vehicles shall prepare
10 for distribution to its franchised dealers in this state a brochure
11 that includes:

20 (b) In addition to the information required by Subsection
21 (a), the brochure shall include:
22 (1) the emissions and air pollution ratings, not
23 including fuel efficiency, for each motor vehicle described by
24 Subsection (a)(1) based on the motor vehicle's federal bin
25 certification number.

1 (3) instructions that clearly indicate how to
2 interpret the federal bin certification number.

3 (c) The commission by rule shall establish standards
4 relating to the preparation and distribution to franchised dealers
5 and to the dealers' customers of the brochure required by this
6 section.

7 SECTION 4. Section 386.160(a), Health and Safety Code, is
8 amended to read as follows:

9 (a) The comptroller by rule shall develop a method to
10 administer and account for the motor vehicle purchase or lease
11 incentives authorized by this subchapter and to pay incentive money
12 to the purchaser or lessee of a new motor vehicle, on application of
13 the purchaser or lessee as provided by this subchapter. The
14 comptroller shall process applications for incentives in the order
15 in which they are received.

16 SECTION 5. Section 386.161(b), Health and Safety Code, is
17 amended to read as follows:

18 (b) If the balance available for motor vehicle purchase or
19 lease incentives falls below 15 percent of the total allocated for
20 the incentives during that fiscal year, the comptroller by order
21 shall suspend the incentives and cease accepting or processing
22 applications for incentives until the date the comptroller can
23 certify that the balance available in the fund for incentives is an
24 amount adequate to resume the incentives or the beginning of the
25 next fiscal year, whichever is earlier. If the comptroller
26 suspends the incentives, the comptroller shall immediately notify
27 the commission and all new motor vehicle dealers and leasing agents

1 that the incentives have been suspended.

2 SECTION 6. Section 386.252(a), Health and Safety Code, is
3 amended to read as follows:

4 (a) Money in the fund may be used only to implement and
5 administer programs established under the plan and shall be
6 allocated as follows:

7 (1) for the diesel emissions reduction incentive
8 program, 77.5 [87.5] percent of the money in the fund, of which not
9 more than four percent may be used for the clean school bus program
10 and not more than 10 percent may be used for on-road diesel purchase
11 or lease incentives;

12 (2) for the new technology research and development
13 program, 9.5 percent of the money in the fund, of which up to
14 \$250,000 is allocated for administration, up to \$200,000 is
15 allocated for a health effects study, \$500,000 is to be deposited in
16 the state treasury to the credit of the clean air account created
17 under Section 382.0622 to supplement funding for air quality
18 planning activities in affected counties, not less than 20 percent
19 is to be allocated each year to support research related to air
20 quality for the Houston-Galveston-Brazoria and Dallas-Fort Worth
21 nonattainment areas by a nonprofit organization based in Houston of
22 which \$216,000 each year shall be contracted to the Energy Systems
23 Laboratory at the Texas Engineering Experiment Station for the
24 development and annual calculation of creditable statewide
25 emissions reductions obtained through wind and other renewable
26 energy resources for the State Implementation Plan, and the balance
27 is to be allocated each year to a nonprofit organization or an

H.B. No. 3656

1 institution of higher education based in Houston to be used to
2 implement and administer the new technology research and
3 development program under a contract with the commission for the
4 purpose of identifying, testing, and evaluating new
5 emissions-reducing technologies with potential for
6 commercialization in this state and to facilitate their
7 certification or verification; [and]

8 (3) for the motor vehicle purchase or lease incentive
9 program, 10 percent of the money in the fund; and

10 (4) for administrative costs incurred by the
11 commission and the laboratory, three percent of the money in the
12 fund.

13 SECTION 7. Section 386.153, Health and Safety Code, as
14 amended by this Act, applies only to a new motor vehicle sold or
15 leased on or after the effective date of this Act. A new motor
16 vehicle sold or leased before the effective date of this Act is
17 governed by the law as it existed immediately before the effective
18 date of this Act, and that law is continued in effect for that
19 purpose.

20 SECTION 8. (a) Not later than June 1, 2010, the Texas
21 Commission on Environmental Quality shall adopt the rules required
22 by Section 386.157, Health and Safety Code, as added by this Act.

23 (b) Not later than September 1, 2010, each manufacturer of a
24 new motor vehicle offered for sale in this state shall prepare and
25 distribute to its franchised dealers in this state the brochure
26 required by Section 386.157, Health and Safety Code, as added by
27 this Act.

H.B. No. 3656

1 SECTION 9. This Act takes effect September 1, 2009.