

By: Phelan

H.B. No. 4400

A BILL TO BE ENTITLED

AN ACT

relating to supplemental environmental projects authorized by the Texas Commission on Environmental Quality.

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

SECTION 1. Section 7.067, Water Code, is amended by adding Subsections (d), (e), and (f) to read as follows:

(d) The commission may determine the types of projects that may be approved as a supplemental environmental project. For a respondent that is a local government, those types of projects must include:

(1) purchasing, operating, or maintaining:

(A) alternative fuel vehicles, including passenger cars, light trucks, heavy trucks, and buses; and

(B) alternative fuel heavy equipment, including tractors, bulldozers, front-end loaders, and motor graders;

(2) constructing, operating, or maintaining alternative fuel refueling infrastructure necessary to operate an alternative fuel fleet; and

(3) providing energy efficiency upgrades to buildings and facilities owned by the local government, including heating, ventilation, air conditioning, lighting, and building envelope upgrades.

(e) For a supplemental environmental project involving alternative fuel vehicles, the commission:

1 (1) must allow the project to include:

2 (A) the entire cost of the vehicle; and

3 (B) any alternative fuel equipment or upgrades
4 involved; and

5 (2) may not limit the project to including only the
6 difference in cost between conventional fuel vehicles, equipment,
7 or upgrades and the alternative fuel counterparts.

8 (f) The commission:

9 (1) may not require a contract associated with a
10 supplemental environmental project to be for a term of less than
11 five years; and

12 (2) must allow a contract associated with a
13 supplemental environmental project to be renewable for periods of
14 at least five years.

15 SECTION 2. This Act takes effect September 1, 2025.