

BILL ANALYSIS

Senate Research Center

H.B. 1649
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Natural Resources & Economic Development
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The light-duty motor vehicle purchase or lease incentive program is funded through the Texas Emissions Reduction Plan (TERP). This money can be granted to subsidize purchase of various kinds of reduced emissions vehicles, largely electric or hybrid cars.

Concerned parties note that current phrasing in statute prevents use of this underutilized source of grants for electric motorcycles by limiting acceptable vehicles to only those with four wheels.

H.B. 1649 would amend Section 386.154(d) (light-duty motor vehicle purchase or lease incentive program), Health and Safety Code, to add motorcycles, as defined by Section 541.201, Transportation Code, as an eligible vehicle for grant funding. The bill also clarifies other types of electric vehicles, distinct from "motorcycles," which are not eligible to receive the rebate as a "motorcycle" for the purposes of the incentive program.

H.B. 1649 amends current law relating to the amount of and vehicles eligible for the light-duty motor vehicle purchase or lease incentive program.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 386.154, Health and Safety Code, by amending Subsection (d) and adding Subsection (f), as follows:

(d) Provides that a new light-duty motor vehicle powered by an electric drive is eligible for a \$2,500 incentive if the vehicle meets certain criteria, including that it has four wheels or is a motorcycle as defined by Section 541.201 (Vehicles) and is not a motor-assisted scooter, pocket bike, or minimotorbike as those terms are defined by Section 551.351 (Definitions), Transportation Code.

(f) Requires a person that receives the incentive described by Subsection (d) to remit \$750 to the comptroller of public accounts of the state of Texas to deposit to the credit of the state highway fund.

SECTION 2. Effective date: upon passage or September 1, 2019.