

## **BILL ANALYSIS**

Senate Research Center

H.B. 963  
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Natural Resources & Economic Development  
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Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

H.B. 963 would expand the Texas Natural Gas Vehicle Grant Program (TNGVGP) to include used natural gas medium-duty and heavy-duty trucks to ensure the program is better utilized. Under current law, the TNGVGP offers grants to purchase only new medium and heavy-duty natural gas vehicles.

H.B. 963 would not require additional funding as it simply expands eligibility of the currently undersubscribed program. What's more, it would provide several environmental benefits, including reducing NOx emissions and targeting the most polluting trucks that would be replaced with the cleanest technology available. These most polluting trucks often operate in low-income communities, so the impact of replacing these vehicles may be felt most in these struggling communities.

H.B. 963 also would help create a secondary market for natural gas vehicles:

Fleets would be assured that they can sell their natural gas trucks when they cycle-out, while small family-owned trucking operations would be able to consider pre-owned natural gas trucks as an affordable option.

H.B. 963 amends current law relating to the Texas natural gas vehicle grant 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 394.003, Health and Safety Code, by amending Subsection (a) and adding Subsection (c), as follows:

(a) Provides that a vehicle is a qualifying vehicle that may be considered for a grant under the Texas Natural Gas Vehicle Grant Program if during the eligibility period established by the Texas Commission on Environmental Quality the entity, in addition to other actions, purchased, leased, or otherwise commercially financed the vehicle as an on-road heavy-duty or medium-duty motor vehicle that meets certain criteria, including a vehicle that is a new natural gas vehicle or, subject to Subsection (c), a used natural gas vehicle. Makes nonsubstantive changes.

(c) Requires that a used natural gas vehicle that is proposed to replace an on-road heavy-duty or medium-duty motor vehicle be of model year 2017 or later, provided that the model year is prohibited from being more than six years older than the current model year at the time of the submission of the grant application.

SECTION 2. Amends Section 394.005(b), Health and Safety Code, to make a conforming change.

SECTION 3. Effective date: September 1, 2021.