

## CHAPTER 793

H.B. No. 923

## AN ACT

relating to statewide energy policy and research.

*Be it enacted by the Legislature of the State of Texas:*

## ARTICLE 1. GENERAL PROVISIONS

## SECTION 1.01. DEFINITIONS. In this Act:

- (1) "Committee" means the Texas Committee on Energy Policy.
- (2) "Coordinating board" means the Texas Higher Education Coordinating Board.
- (3) "Council" means the Texas Energy Coordination Council.
- (4) "Postsecondary educational institution" means an institution of higher education as defined by Section 61.003, Education Code, or a private or independent college or university that is accredited by a recognized accrediting agency, as defined by that section.

SECTION 1.02. PURPOSE. The purposes of this Act are to develop a statewide energy policy and to coordinate the development and marketing of all aspects of energy research at postsecondary educational institutions and at nonprofit research organizations or associations, from the development of basic theoretical and experimental frameworks to the transfer of new energy technology to the marketplace.

SECTION 1.03. ENERGY ACCOUNT. (a) The energy account is created as a special account in the general revenue fund in the state treasury.

(b) The account consists of gifts, grants, and funds appropriated by the legislature.

(c) Money in the account may be appropriated only to the council for the purposes of this Act.

SECTION 1.04. FUNDING. In addition to money appropriated from the energy account, the council is entitled to an appropriation each biennium in an amount equal to:

- (1) three times the estimated amount of money raised from private sources during the previous biennium, if the estimated amount is \$500,000 or more but less than \$1,000,000;
- (2) five times the estimated amount of money raised from private sources during the previous biennium, if the estimated amount is \$1,000,000 or more but less than \$1,500,000; and
- (3) seven times the estimated amount of money raised from private sources during the previous biennium, if the estimated amount is \$1,500,000 or more, with a maximum entitlement under this section of \$21 million.

## ARTICLE 2. TEXAS COMMITTEE ON ENERGY POLICY

SECTION 2.01. TEXAS COMMITTEE ON ENERGY POLICY. The Texas Committee on Energy Policy is composed of the following ex officio members:

- (1) the governor;
- (2) the lieutenant governor;
- (3) the speaker of the house of representatives;
- (4) the chairman of the house of representatives committee on energy;
- (5) the chairman of the senate committee on natural resources;
- (6) a member of the Railroad Commission of Texas, appointed by the Railroad Commission of Texas;
- (7) a member of the Public Utility Commission of Texas, appointed by the Public Utility Commission of Texas; and
- (8) the commissioner of the General Land Office.

**SECTION 2.02. TERMS; VACANCY.** (a) Appointed members serve for four-year terms. The initial appointees serve until February 1, 1999, and subsequent terms expire on February 1 of every fourth year thereafter.

(b) The original appointing authority shall appoint a person with similar qualifications to fill the unexpired portion of the term of a vacancy of an appointed member of the committee.

**SECTION 2.03. OFFICERS; MEETINGS.** (a) The members of the committee shall elect annually a presiding officer of the committee.

(b) The committee may elect other officers it considers necessary.

(c) The committee shall meet at least once each calendar quarter and at other times at the call of the presiding officer.

**SECTION 2.04. COMPENSATION; EXPENSES.** A member of the committee may not receive compensation for service performed for the committee. A member is entitled to receive reimbursement from the energy account, subject to any applicable limitation provided by the General Appropriations Act, for actual or necessary expenses incurred in performing services as a member of the committee.

**SECTION 2.05. STAFF.** (a) The committee may employ staff or may use the staff of the governor.

(b) The committee may not employ an individual, and an employee of the committee may not continue in employment with the committee, if the individual at the time of employment or while employed by the committee is:

- (1) a person required to register under Chapter 305, Government Code; or
- (2) a member of the legislature.

**SECTION 2.06. POWERS AND DUTIES.** (a) The committee may:

- (1) set priority areas for energy coordination or for energy research;
- (2) provide national leadership on emerging energy policy;
- (3) adopt rules for the administration of this article;
- (4) accept gifts and grants for the administration of its duties; and
- (5) use a service or facility contributed to the committee by any source.

(b) The committee shall:

- (1) develop coherent long-term energy policy for this state;
- (2) make recommendations to the state and to industry regarding energy use; and
- (3) encourage cooperation and coordination between public and private entities regarding energy use and energy research, development, and commercialization.

### ARTICLE 3. TEXAS ENERGY COORDINATION COUNCIL

**SECTION 3.01. COMPOSITION.** (a) The Texas Energy Coordination Council is composed of the following ex officio members:

- (1) a representative from Texas Tech University to be designated by the president of the university;
- (2) the director of the Energy System Laboratory of Texas A&M University;
- (3) the director of the Center for Energy Studies at The University of Texas at Austin;
- (4) a representative of industrial energy consumers;
- (5) the director of the Energy Laboratory of the University of Houston; and
- (6) the director of the Alternative Energy Institute of West Texas State University.

(b) The governor shall appoint the following members to serve on the council:

- (1) a representative of the natural gas industry;
- (2) a representative of the oil industry;
- (3) a representative of the alternative fuels industry;

(4) a representative of the Texas Sustainable Energy Development Council or renewable energy industry;

(5) a representative of the electric utility industry; and

(6) a representative of an energy consumer organization or environmental organization.

(c) If a postsecondary educational institution eliminates the entity whose director serves on the council, the institution shall name a representative to serve on the council. The representative must be an individual at the institution with responsibilities related to the mission of the council and must hold a position of a level similar to the level of the position of director of the eliminated entity.

**SECTION 3.02. TERMS; VACANCY.** (a) Appointed members serve for staggered terms of two years, with the terms of three members expiring December 31 of each year.

(b) The governor shall appoint an individual with similar qualifications to fill the unexpired portion of the term of a vacancy of an appointed member of the council.

**SECTION 3.03. OFFICERS; MEETINGS.** (a) The members of the council shall elect annually a presiding officer of the council.

(b) The council may elect other officers it considers necessary.

(c) The council shall meet at least once each calendar quarter and at other times at the call of the presiding officer.

**SECTION 3.04. COMPENSATION; EXPENSES.** A member of the council may not receive compensation for service performed for the council. A member is entitled to receive reimbursement, subject to any applicable limitation provided by the General Appropriations Act, for actual or necessary expenses incurred in performing services as a member of the council.

**SECTION 3.05. STAFF.** (a) The council may employ staff or may use, with the entity's consent, the staff of the coordinating board, a participating postsecondary educational institution, or a nonprofit research organization or association.

(b) The council may not employ an individual, and an employee of the council may not continue in employment with the council, if the individual at the time of employment or while employed by the council is:

(1) a person required to register under Chapter 305, Government Code; or

(2) a member of the legislature.

**SECTION 3.06. DUTIES.** The council shall:

(1) establish an institute for building energy efficiency throughout this state;

(2) adopt strategies to assess energy resources;

(3) promote energy efficiency in transportation;

(4) make recommendations to reduce energy consumption by the state;

(5) promote energy efficiency in industry;

(6) assess the interrelation between energy and the environment;

(7) promote the efficient use of renewable resources;

(8) evaluate the effects of existing energy taxes on the state economy;

(9) recommend new energy taxes to promote energy efficiency;

(10) promote the formation of consortia to study energy uses;

(11) actively seek monetary support for the purposes of this Act;

(12) coordinate the transfer of energy technology to the marketplace;

(13) promote the use of energy research findings;

(14) encourage and coordinate energy research among postsecondary educational institutions, other public and private entities, industrial entities, and nonprofit research entities;

(15) coordinate energy research among state research programs;

(16) provide criteria and recommendations for the awarding of grants for energy research projects approved by state research programs;

- (17) promote energy technologies in nonresource areas; and
- (18) provide support for the committee.

SECTION 3.07. POWERS. The council may:

- (1) encourage research collaborations among postsecondary educational institutions and nonprofit research organizations or associations;
- (2) coordinate information sharing among postsecondary educational institutions and nonprofit research organizations or associations;
- (3) encourage projects that propose innovative, collaborative efforts among two or more postsecondary educational institutions or nonprofit research organizations or associations or between a postsecondary educational institution or nonprofit research organization or association and private industry;
- (4) conduct public relations activities concerning the activities of the council;
- (5) develop computer software to facilitate the discharge of the council's duties;
- (6) establish a computer data base of energy research information that is accessible to all postsecondary educational institutions and all nonprofit research organizations or associations;
- (7) contract or cooperate with the federal government or private research entities;
- (8) conduct technical seminars on energy research;
- (9) provide information to the public on energy research; and
- (10) meet and coordinate with each institution of higher education's federal funds coordinator designated under Section 751.022(d), Government Code.

SECTION 3.08. GIFT, GRANT, AND CONTRIBUTED SERVICE OR FACILITY. (a) The council may accept a gift or grant from any source to be used by the council for the purposes of this Act.

(b) The council may use a service or facility contributed to the council by any source.

SECTION 3.09. DISTRIBUTION OF GRANTS. (a) The council may make grants from funds available to the council to postsecondary educational institutions or nonprofit research organizations or associations to fund research consistent with the mission of the council. To receive a grant from the council, a postsecondary educational institution or a nonprofit research organization or association must submit to the council an application for the grant, on a form prescribed by the council, and a proposal for the project for which the grant is sought.

(b) The council shall approve applications on an equitable basis.

(c) Not later than September 1 of each fiscal year, the comptroller shall certify to the council the amount of appropriated funds available from which to make grants under this section for that fiscal year.

(d) The council may not approve an application if the amount of money required to fund the proposal is greater than an amount equal to the total amount of money available to the council to make grants under this section for the fiscal year during which the award is made.

(e) For each application approved by the council, the council shall certify to the comptroller the amount of funds approved for the project. To the extent that funds are available for this purpose, the comptroller shall issue a warrant to the postsecondary educational institution or nonprofit research organization or association in the amount certified in the order that the comptroller receives the certification. The warrant shall be drawn against the amounts appropriated to the council.

ARTICLE 4. MISCELLANEOUS PROVISIONS

SECTION 4.01. TRANSITION. (a) Not later than February 1, 1994, the Railroad Commission of Texas and the Public Utility Commission of Texas shall make initial appointments of members to serve on the Texas Committee on Energy Policy for terms expiring February 1, 1995.

(b) Not later than January 1, 1994, the governor shall make initial appointments of three representatives to serve on the Texas Energy Coordination Council for terms expiring December 31, 1994, and three representatives to serve on the council for terms expiring December 31, 1995.

SECTION 4.02. EMERGENCY. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

Passed by the House on April 23, 1993, by a non-record vote; the House concurred in Senate amendments to H.B. No. 923 on May 24, 1993, by a non-record vote; passed by the Senate, with amendments, on May 22, 1993: Yeas 30, Nays 0.

Approved June 18, 1993.

Effective Aug. 30, 1993, 90 days after date of adjournment.