



SIERRA CLUB

LONE STAR CHAPTER

To: Chairman Brian Birdwell
Members, Senate Committee on Natural Resources and Economic Development
From: Cyrus Reed, Sierra Club, Lone Star Chapter, 512-888-9411, cyrus.reed@sierraclub.org
Re: HB 4885

May 17, 2023

Sierra Club supports HB 4885

HB 4885 is another bill focused on the funding for TERP. As it passed the house, HB 4885 would increase the amount of Texas Emissions Reduction Plan going to two programs, while reducing the amount going to two others, while adding some specific funding for the Texas hydrogen infrastructure, vehicle and equipment grant program, and allowing a slightly larger contract for the Energy Systems Laboratory to conduct TERP reports. Overall, the bill would not impact the amount going to the most cost-effective programs such as the DERI and the ERIG programs.

Specifically, the bill as filed would increase the percent of funding allocated to the New Technology Implementation Grant program from three to eight percent – including within it the hydrogen program – and increase the potential for administrative funds to TCEQ. In contrast, the amount dedicated for the Texas gas natural program would be reduced from 10 to 7.5 percent, while the amount going to the light-duty vehicles would be reduced from five to 3.5 percent. Importantly, however, the light-duty vehicle program would be made more flexible allowing grants to be made up to 4,000 vehicles over the biennium.

The Sierra Club is supportive of these changes and believes that HB 4885 provides a needed modernization of the programs.