

Summary of Texas H.B. 2221
Electric Transportation Act (ETA)
Texas Electric Transportation Resources Alliance (TxETRA)
Filed February 24, 2021

PURPOSE

This bill establishes a framework for the electrification of transportation in Texas: to assure there is a plan for an adequate and comprehensive network of electric vehicle charging stations across the State of Texas; to increase the use of zero emission electric vehicles by modifying the existing incentives programs; to establish rules on technical requirements and consumer protections for electric vehicle chargers; to establish reasonable fees for the use of state highways; to harmonize charging activities with the Texas utilities code; and to study and develop recommendations for maximum recycling of electric vehicle batteries.

Section 1: Creation of a Comprehensive Charging network

Creates the Texas Transportation Electrification Council (TTEC) to develop a plan that provides for an adequate and comprehensive network of EV charging stations across the state.

This section lays out the framework of the TTEC including the following:

- A mandate to develop a plan for transportation electrification;
- Composition of the TTEC and advisory entities;
- Authority and duties of the TTEC, including performing an assessment of the current charging infrastructure in the state, development of a phased electrification plan and identification of policies to encourage development of the plan;
- Goals of the electrification plan, to address:
 - Border-to-border coverage of the State;
 - Stimulating lower cost/lower emission heavy duty trucking and delivery services;
 - Adequate charging near borders, airports, rail ports, and seaports, and in warehouse complexes and at truck stops;
 - Tourist areas;
 - Publicly accessible charging in rural, multifamily and underserved communities; and
 - Evacuation routes
- Reporting requirements.

Sections 2–11: Electric Vehicle Adoption

Amendments to the Texas Emissions Reduction Plan (TERP) of the Health and Safety Code

These sections make adjustments to TERP to

- incentive payments for new/leased light duty vehicles through the dealer/leasing agent rather than directly to the vehicle purchaser/lessee;
- Provide for EV light duty truck incentives; and
- Allow the TERP Trust Fund to accept federal funds

Section 12: Electric Vehicle Charging

Amendment to the Occupations Code

This section authorizes the Texas Department of Licensing & Regulation (TDLR) to develop rules establishing:

- Technical requirements such as specifications and tolerances for EV charging stations; and
- Standards for consumer protection and accuracy of charging stations

Sections 13-14: Road Use Fees for Electric Vehicles

Amendment to the Transportation Code

These sections impose an additional, annual EV fee of \$100 to be allocated as follows:

- For the first 2 years, \$40 to support efforts of the TTEC (Section 1, see above) and \$60 paid into the state highway fund
- After the first 2 years, \$100 paid into the state highway fund.

Sections 15-18: Retail Electric Service

Revision to the Electric Code of the Utilities Code

These sections clarify that owning/operating a charging station is not a retail sale of electricity.

Section 19: Vehicle Battery Recycling Study

This section requires the TCEQ to perform a study of vehicle battery recycling and to report with legislative recommendations.

Sections 20-23: Timing Issues of the Act

These sections identify:

- Deadline for TTEC's initial report – December 1, 2024 (see Section 1)
- TERP changes applicable only to grants after effective date of the Act (see Sections 2-11)
- Deadline for TDLR rule adoption – December 1, 2024 (see Section 12)
- Effective date of the Act – September 1, 2021

Changes in the Committee Substitute for HB 2221

4-20-21

TTEC

Sec. 490I.002. The Composition of the Texas Transportation Electrification Council

(b) The council is composed of the chair of, or if not applicable, the administrative head of or a senior-level designee.

Sec. 490I.003. PRESIDING OFFICER;

(a-1) Initial Chair has been changed to the Executive Director of TxDOT

Sec. 490I.005. ELECTRIC VEHICLE CHARGING INFRASTRUCTURE PLAN.

Modified by adding:

(6) study vehicle and charging infrastructure changes necessary to incorporate common communication protocols and two-way electricity flow capability in order to allow vehicle to grid integration (VGI) for grid reliability and resiliency.

(7) plan for electric transportation corridors within and along TxDOT right of way that would include the infrastructure needed for vehicle electrification such as: a greatly expanded GPS network for vehicle location accuracy; advanced sensor networks for traffic, intelligent transportation services, and Connected Vehicle applications, and for improvements to energy infrastructure needed to provide adequate charging.

SECTION 2. Section 386.001,

The provisions allowing dealers to provide the TERP purchase incentive were removed at the request of the Texas Automobile Dealers Assn (TADA) but language was added allowing TCEQ to accept online applications from buyers.

Section 6

Sec. 502.360 CHAPTER 2311. ELECTRIC VEHICLE METERING

The TDLR program requiring registration of charging was not changed.

SECTION 7

Sec Subchapter G, Chapter 502

The \$100 EV fee was relabeled a "surcharge" to avoid constitutional issue.