

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