BILL ANALYSIS

Senate Research Center 86R34541 MP-D C.S.H.B. 907 By: Huberty (Creighton) Natural Resources & Economic Development 5/17/2019 Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 907 amends the existing Water Code to increase fines for active aggregate production operations that operate without being registered, as mandated in applicable environmental laws and rules. Penalties would increase to not less than \$10,000 from \$5,000, and the maximum penalty would increase to \$20,000 from \$10,000. The total penalty would be capped at \$50,000, an increase from the current \$25,000.

H.B. 907 amends current law relating to the penalty for failure to register certain aggregate production operations with the Texas Commission on Environmental Quality. (Original Author's/Sponsor's Statement of Intent)

C.S.H.B. 907 amends current law relating to the regulation of aggregate production operations by the Texas Commission on Environmental Quality; increases a fee; and increases administrative penalties.

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 28A.053, Water Code, as follows:

Sec. 28A.053. INSPECTION. (a) Creates Subdivision (1) from existing text. Requires the Texas Commission on Environmental Quality (TCEQ) to inspect each active aggregate production operation in this state for compliance with applicable environmental laws and rules under the jurisdiction of TCEQ:

(1) at least once every two years, rather than three years, during the first six years in which the operation is registered, rather than at least every three years; and

(2) after the expiration of the period described by Subdivision (1), at least once every three years.

(b) Creates an exception under Subsection (c) to the authorization of TCEQ to conduct an inspection only after providing notice to the responsible party in accordance with TCEQ policy. Makes a nonsubstantive change.

(c) Authorizes TCEQ to conduct unannounced periodic inspections under this section of an aggregate production operation that in the preceding three-year period has been issued a notice of violation by TCEQ for a violation of an environmental law or rule under the jurisdiction of TCEQ. Authorizes the unannounced inspections to be conducted only for a period of not more than one year.

(d) Creates this subsection from existing text. Requires an inspection to be conducted by one or more inspectors trained in the regulatory requirements applicable to active aggregate production operations under the jurisdiction of TCEQ, rather than requiring an inspection, except as provided by Subsection (d), to be conducted by one or more inspectors trained in the regulatory requirements under the jurisdiction of TCEQ that are applicable to an active aggregate production operation.

(e) Redesignates existing Subsection (d) as Subsection (e).

SECTION 2. Amends Section 28A.101(b), Water Code, to require TCEQ to set the annual registration fee in an amount sufficient to maintain a registry of active aggregate production operations in this state and implement this chapter, not to exceed \$1,500, rather than \$1,000.

SECTION 3. Amends Section 28A.102, Water Code, as follows:

Sec. 28A.102. PENALTY. Authorizes TCEQ to assess a penalty of not less than \$5,000 and not more than \$20,000, rather than \$10,000 for each year in which an aggregate production operation operates without being registered under this chapter. Prohibits the total penalty under this section from exceeding \$40,000, rather than \$25,000, for an aggregate production operation that is operated in three or more years without being registered.

SECTION 4. Makes application of Section 28A.102, Water Code, as amended by this Act, prospective.

SECTION 5. This Act takes effect September 1, 2019.