

By: Rosenthal

H.B. No. 575

A BILL TO BE ENTITLED

AN ACT

relating to preparation for and response to weather emergencies that affect certain natural gas facilities; increasing the amount of civil and administrative penalties.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 86.044(c), Natural Resources Code, is amended to read as follows:

(c) The commission by rule shall require a gas supply chain facility operator to implement measures to prepare to operate during a weather emergency. In adopting the rules, the commission shall take into consideration weather predictions produced by the office of the state climatologist. The rules must include a process that allows the commission to require a gas supply chain facility operator to implement measures recommended by the commission in a weather emergency preparedness report under Section 186.008(b)(4), Utilities Code.

SECTION 2. Section 86.222(d), Natural Resources Code, is amended to read as follows:

(d) The [~~classification~~] system established under Subsection (c) must [~~shall~~] provide that a violation is punishable by a penalty of, after taking into account the factors described by Subsection (c):

(1) at least \$100 and not more than \$1,000 for the first violation;

1 (2) at least \$1,000 and not more than \$50,000 for the
2 second violation; and

3 (3) at least \$50,000 and not more than \$1,000,000 for
4 the third violation and each subsequent violation [~~a penalty in an~~
5 ~~amount that exceeds \$5,000 may be recovered only if the violation is~~
6 ~~included in the highest class of violations in the classification~~
7 ~~system~~].

8 SECTION 3. Section [121.2015](#)(a-1), Utilities Code, is
9 amended to read as follows:

10 (a-1) In adopting rules under Subsection (a)(3), the
11 railroad commission shall take into consideration weather
12 predictions produced by the office of the state climatologist. The
13 rules must include a process that allows the railroad commission to
14 require a gas pipeline facility operator to implement measures
15 recommended by the railroad commission in a weather emergency
16 preparedness report under Section [186.008](#)(b)(4).

17 SECTION 4. Section [121.206](#)(e), Utilities Code, is amended
18 to read as follows:

19 (e) The guidelines adopted under Subsection (d) must
20 provide that a violation of a rule adopted under Section
21 [121.2015](#)(a)(3) is punishable by a penalty of, after taking into
22 account the factors described by Subsection (d):

23 (1) at least \$100 and not more than \$1,000 for the
24 first violation;

25 (2) at least \$1,000 and not more than \$50,000 for the
26 second violation; and

27 (3) at least \$50,000 and not more than \$1,000,000 for

1 the third violation and each subsequent violation [~~in an amount~~
2 ~~that exceeds \$5,000 for a violation of a rule adopted under Section~~
3 ~~121.2015(a)(3) may be assessed only if circumstances justify the~~
4 ~~enhancement of the penalty~~].

5 SECTION 5. The changes in law made by this Act to Section
6 86.222, Natural Resources Code, and Section 121.206, Utilities
7 Code, as amended by this Act, apply only to a violation that occurs
8 on or after the effective date of the rules adopted by the Railroad
9 Commission of Texas under Section 86.222, Natural Resources Code,
10 or Section 121.206, Utilities Code, as amended by this Act. A
11 violation that occurs before the effective date of the rules
12 adopted by the Railroad Commission of Texas under Section 86.222,
13 Natural Resources Code, or Section 121.206, Utilities Code, as
14 amended by this Act, is governed by the law in effect on the date the
15 violation occurred, and that law is continued in effect for that
16 purpose.

17 SECTION 6. This Act takes effect immediately if it receives
18 a vote of two-thirds of all the members elected to each house, as
19 provided by Section 39, Article III, Texas Constitution. If this
20 Act does not receive the vote necessary for immediate effect, this
21 Act takes effect September 1, 2025.