#### **BILL ANALYSIS**

H.B. 2529 By: Madden Environmental Regulation Committee Report (Unamended)

# BACKGROUND AND PURPOSE

Since 1951, the North Texas Municipal Water District (the District) has played a valuable role in assisting many communities in North Central Texas with water, wastewater and solid waste recycling and disposal services.

As owners and/or operators of solid waste recycling and disposal facilities, transfer stations, wastewater treatment facilities, and a water treatment facility, the District works closely with the Texas Commission on Environmental Quality (TCEQ), formerly the Texas Natural Resource

Conservation Commission (TNRCC). An exceptional strength of the District is the ability to identify areas of improvement and implement changes in coordination with TCEQ. The District prides itself on being a good steward of the environment and has a stellar record in connection with securing permits and conducting ongoing operations.

As an additional component used to communicate with residents and businesses, the District has worked to create citizen advisory panels at several of its facilities. Through such a mechanism, discussions with the City of Melissa and other interested parties with respect to the best design of a proposed 121 Regional Disposal Facility (RDF) has resulted in consensus being reached on what will support the continuing rapid growth of the region. Panelists, comprised of representatives from taxing jurisdictions, planning bodies and a local community group, are continuing to review ways to utilize hundreds of acres around what will be the facility's operational site. Discussions have included such recreational opportunities as parks and an equestrian center, as well as a new school and a fire station.

Aside from operating existing facilities and constructing new ones, the District has for many years acquired older, antiquated operations from small and medium sized communities whose budgetary constraints prohibited costly improvements or replacements required by current environmental regulations. This critical role in rural and smaller communities in North Texas has been especially helpful given the unprecedented growth of the region.

In order to promote this assumption of responsibility for upgrading and perpetuating a struggling or failing entity's services, it is advisable to insure that the incorporating entity is protected from pre-existing citations and/or fines for prior violations or violations subsequent to taking over the subordinate entity precipitated by the non-compliant operations of that now defunct entity. This bill requires that the TCEQ suspend enforcement action against the service being integrated for 36 months from the date when a regional service first assumes direct control over or any duty of the integrating service, after which time the issuing of citations and assessing of fines or other penalties for compliance violations may resume.

# **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

# ANALYSIS

House Bill 2529 directs the Texas Commission on Environmental Quality to suspend enforcement action against a water supply, sewer, wastewater treatment, or solid waste disposal service being integrated by a regional authority for 36 months from the date when a regional service first assumes direct control over or any duty of the integrating service, after which time the issuing of citations and assessing of fines or other penalties for compliance violations may resume.

#### EFFECTIVE DATE

Upon passage, or, if the Act receives does not receive the necessary vote, the act takes effect September 1, 2003.