By: Rodriguez H.B. No. 910

A BILL TO BE ENTITLED

AN ACT

2	relating	to	the	relationship	between	the	amount	of	an

- 3 administrative penalty imposed by the Texas Commission or
- 4 Environmental Quality and the economic benefit of the violation to
- 5 the alleged violator.

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- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 7 SECTION 1. Section 7.053, Water Code, is amended to read as 8 follows:
- 9 Sec. 7.053. FACTORS TO BE CONSIDERED IN DETERMINATION OF
- 10 PENALTY AMOUNT. (a) In determining the amount of an administrative
- 11 penalty, the commission shall consider:
- 12 (1) the nature, circumstances, extent, duration, and
- 13 gravity of the prohibited act, with special emphasis on the
- 14 impairment of existing water rights or the hazard or potential
- 15 hazard created to the health or safety of the public;
- 16 (2) the impact of the violation on:
- 17 (A) air quality in the region;
- 18 (B) a receiving stream or underground water
- 19 reservoir;
- 20 (C) instream uses, water quality, aquatic and
- 21 wildlife habitat, or beneficial freshwater inflows to bays and
- 22 estuaries; or
- 24 (3) with respect to the alleged violator:

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- 1 (A) the history and extent of previous
- 2 violations;
- 3 (B) the degree of culpability, including whether
- 4 the violation was attributable to mechanical or electrical failures
- 5 and whether the violation could have been reasonably anticipated
- 6 and avoided;
- 7 (C) the demonstrated good faith, including
- 8 actions taken by the alleged violator to rectify the cause of the
- 9 violation and to compensate affected persons;
- 10 (D) $\underline{\text{the}}$ economic benefit gained through the
- 11 violation; and
- 12 (E) the amount necessary to deter future
- 13 violations; and
- 14 (4) any other matters that justice may require.
- (b) Except as otherwise provided by Section 7.052 and
- 16 <u>notwithstanding Subsection (a) of this section, in determining the</u>
- 17 amount of an administrative penalty, the commission shall, to the
- 18 extent practicable, ensure that the amount of the penalty is at
- 19 least equal to the value of any economic benefit gained by the
- 20 alleged violator through the violation.
- 21 SECTION 2. (a) The change in law made by this Act applies
- 22 only to a violation that occurs on or after the effective date of
- 23 this Act. For purposes of this section, a violation occurs before
- 24 the effective date of this Act if any element of the violation
- 25 occurs before that date.
- 26 (b) A violation that occurs before the effective date of
- 27 this Act is covered by the law in effect on the date the violation

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- 1 occurred, and the former law is continued in effect for that
- 2 purpose.
- 3 SECTION 3. This Act takes effect September 1, 2005.