1	AN ACT
2	relating to the regulation of subsurface area drip dispersal
3	systems by the Texas Commission on Environmental Quality.
4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
5	SECTION 1. Subtitle D, Title 2, Water Code, is amended by
6	adding Chapter 32 to read as follows:
7	CHAPTER 32. SUBSURFACE AREA DRIP DISPERSAL SYSTEM
8	SUBCHAPTER A. GENERAL PROVISIONS
9	Sec. 32.001. SHORT TITLE. This chapter may be cited as the
10	Subsurface Area Drip Dispersal System Act.
11	Sec. 32.002. DEFINITIONS. In this chapter:
12	(1) "Commission" means the Texas Commission on
13	Environmental Quality.
14	(2) "Commercial, industrial, or municipal waste":
15	(A) means any water-dominant liquid waste
16	substance that may cause or might reasonably be expected to cause
17	pollution of fresh water and that may result from:
18	(i) processes of industry, manufacturing,
19	trade, or business;
20	(ii) development or recovery of natural
21	resources, except as provided by Paragraph (B); or
22	(iii) disposal of sewage or other wastes of
23	cities, towns, villages, communities, water districts, other
24	municipal corporations, educational facilities, apartment

1	complexes, and other commercial facilities; and
2	(B) does not include:
3	(i) oil and gas waste, as defined by Section
4	<u>27.002;</u>
5	(ii) tar sands;
6	(iii) sulfur;
7	(iv) brine from desalination; or
8	(v) hazardous waste, as defined by Section
9	361.003, Health and Safety Code.
10	(3) "Department" means the Department of State Health
11	Services.
12	(4) "Executive director" means the executive director
13	of the commission.
14	(5) "Fresh water" has the meaning assigned by Section
15	27.002.
16	(6) "Pollution" has the meaning assigned by Section
17	27.002.
18	(7) "Processed" means the action of reducing liquid
19	waste to a state that will allow injection by subsurface drip
20	dispersal into an area without creating pollution.
21	(8) "Subsurface area drip dispersal system" means a
22	waste disposal system that injects processed commercial,
23	industrial, or municipal waste into the ground at a depth of not
24	more than 48 inches and spreads the waste over a large enough area
25	that the soil hydrologic absorption rate and crop/plant root
26	absorption rate are not exceeded.
27	Sec. 32.003. POLICY AND PURPOSE. It is the policy of this

state and the purpose of this chapter to:
(1) maintain the quality of fresh water in the state to
the extent consistent with the public health and welfare and the
operation of existing industries;
(2) promote the beneficial reuse of commercial,
industrial, and municipal waste for the economic development of the
state, thereby reducing the demand on the state's supply of fresh
water;
(3) prevent underground injection that may pollute
fresh water; and
(4) require the use of all reasonable methods to
implement this policy.
[Sections 32.004-32.050 reserved for expansion]
SUBCHAPTER B. JURISDICTION OF COMMISSION
Sec. 32.051. PERMIT FROM COMMISSION. A person may not
operate a subsurface area drip dispersal system without first
obtaining a permit from the commission.
Sec. 32.052. APPLICATION FOR PERMIT. The commission shall
prescribe forms for application for a permit and shall make the
forms available on request without charge.
Sec. 32.053. INFORMATION REQUIRED OF APPLICANT. An
applicant shall furnish any information the executive director
considers necessary to discharge the executive director's duties
under this chapter and the rules of the commission.
Sec. 32.054. INSPECTION OF DISPERSION AREA. On receiving
an application for a permit, the executive director shall inspect
the location of the proposed dispersion area to determine the local

1	conditions and the probable effect of the subsurface area drip
2	dispersal system.
3	Sec. 32.055. RECOMMENDATIONS FROM OTHER PERSONS. The
4	executive director shall submit to the department and to other
5	persons designated by the commission copies of each permit
6	application received in proper form. A person to whom an
7	application is submitted may make recommendations to the commission
8	concerning any aspect of the application not later than the 30th day
9	after the date the application is submitted.
10	Sec. 32.056. HEARING ON PERMIT APPLICATION. (a) In this
11	section, "local government" has the meaning assigned by Section
12	26.001.
13	(b) The commission may hold a public hearing on a permit
14	application for a subsurface area drip dispersal system if the
15	commission determines that a hearing is necessary and in the public
16	interest.
17	(c) The commission shall hold a public hearing on a permit
18	application for a subsurface area drip dispersal system if a
19	hearing is requested by a local government located in the county of
20	the proposed disposal site or by an affected person.
21	(d) The commission by rule shall provide for giving notice
22	of the opportunity to request a public hearing on a permit
23	application. The rules for notice shall include provisions for
24	giving notice to local governments and affected persons.
25	(e) Before the commission begins to hear the testimony in a
26	contested case as defined by Chapter 2001, Government Code,
27	evidence must be placed in the record to demonstrate that proper

notice regarding the hearing was given to affected persons. If 1 2 mailed notice to an affected person is required, the commission or other party to the hearing shall place evidence in the record that 3 4 notice was mailed to the address of the affected person included in 5 the appropriate county tax rolls at the time of mailing. For the 6 purposes of this subsection, the affidavit of the commission 7 employee responsible for the mailing of the notice, attesting to 8 the fact that notice was mailed to the address included in the tax rolls at the time of mailing, shall be prima facie evidence of 9 proper mailing. The commission may not proceed with receipt of 10 testimony in a contested case until the requirements of this 11 12 subsection are complied with. Sec. 32.057. OPPORTUNITY TO COMMENT ON PROPOSED RULES. The 13 14 commission shall send copies of proposed rules under this chapter 15 to the department and any other persons designated by the commission. A person to whom the copies of proposed rules are sent 16 17 may submit comments and recommendations to the commission and shall have a reasonable time to do so as determined by the commission. 18 19 [Sections 32.058-32.100 reserved for expansion] SUBCHAPTER C. ISSUANCE OF PERMITS: TERMS AND CONDITIONS 20 21 Sec. 32.101. ISSUANCE OF PERMIT. (a) The commission may grant an application for a permit for a subsurface area drip 22 dispersal system in whole or part and may issue the permit if it 23 24 finds that: 25 (1) the use or installation of the system is in the 26 public interest; 27 (2) with proper safeguards, both subsurface and

surface fresh water can be adequately protected from pollution; and 1 2 (3) the applicant has provided for the proper 3 operation of the system. 4 (b) In the permit, the commission shall impose terms and 5 conditions reasonably necessary to protect fresh water from 6 pollution. (c) The commission, in determining if the use or 7 8 installation of a subsurface area drip dispersal system is in the public interest under Subsection (a)(1), shall consider: 9 (1) compliance history of the applicant and related 10 entities under the method for evaluating compliance history 11 12 developed by the commission under Section 5.754 and in accordance with the provisions of Subsection (d) of this section; 13 (2) whether there is a practical, economic, and 14 15 feasible alternative to a subsurface area drip dispersal system reasonably available; and 16 17 (3) any other factor the commission considers 18 relevant. (d) The commission shall establish a procedure for the 19 preparation of comprehensive summaries of the applicant's 20 21 compliance history, including the compliance history of any 22 corporation or other business entity managed, owned, or otherwise closely related to the applicant. The summaries shall be made 23 24 available to the applicant and any interested person after the commission has completed its technical review of the permit 25 application and prior to giving public notice relating to the 26 issuance of the permit. Evidence of compliance or noncompliance by 27

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an applicant for a subsurface area drip dispersal system permit 1 2 with environmental statutes and the rules adopted or orders or 3 permits issued by the commission may be offered by any party at a 4 hearing on the applicant's application and admitted into evidence subject to applicable rules of evidence. Evidence of the 5 6 compliance history of an applicant for a subsurface area drip 7 dispersal system permit may be offered by the executive director at a hearing on the application and admitted into evidence subject to 8 the rules of evidence. The commission shall consider all evidence 9 admitted, including compliance history, in determining whether to 10 issue, amend, extend, or renew a permit. If the commission 11 concludes that the applicant's compliance history is unacceptable, 12 the commission shall deny the permit. 13 Sec. 32.102. COPIES OF PERMIT FILING REQUIREMENTS. (a) The 14 15 commission shall send to the department a copy of each permit issued 16 under this chapter. 17 (b) Before beginning injection operations, a person receiving a permit for a subsurface area drip dispersal system 18 shall file a copy of the permit with the applicable local health 19 authorities of the area in which the system is located. 20 21 [Sections 32.103-32.150 reserved for expansion] 22 SUBCHAPTER D. GENERAL POWERS Sec. 32.151. POWER TO ENTER PROPERTY. A member or employee 23 24 of the commission or an authorized agent or employee of a local government may enter public or private property to inspect and 25 26 investigate conditions relating to a subsurface area drip dispersal 27 system in connection with subsurface drip dispersal activities or

to monitor compliance with a rule, permit, or order of the 1 2 commission. A member or employee acting under the authority of this section who enters an establishment on public or private property 3 4 shall observe the establishment's safety, internal security, and 5 fire protection rules. 6 Sec. 32.152. POWER TO EXAMINE RECORDS. A member or employee 7 of the commission or an authorized agent or employee of a local government may examine and copy any record or memorandum of a 8 business the member, employee, or agent is investigating as 9 provided by Section 32.151 that relates to the operation of a 10 subsurface area drip dispersal system or any other record the 11 commission requires the business to maintain. 12

13 SECTION 2. (a) The Texas Commission on Environmental 14 Quality shall adopt rules and be prepared to accept applications 15 for permits under Chapter 32, Water Code, as added by this Act, not 16 later than July 31, 2006.

(b) A person is not required to hold a permit under Chapter
32, Water Code, as added by this Act, before November 1, 2006.

19 SECTION 3. This Act takes effect immediately if it receives 20 a vote of two-thirds of all the members elected to each house, as 21 provided by Section 39, Article III, Texas Constitution. If this 22 Act does not receive the vote necessary for immediate effect, this 23 Act takes effect September 1, 2005.

President of the Senate

Speaker of the House

I certify that H.B. No. 2651 was passed by the House on May 13, 2005, by the following vote: Yeas 142, Nays 0, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 2651 was passed by the Senate on May 25, 2005, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED:

Date

Governor