By: Phillips H.B. No. 147

Substitute the following for H.B. No. 147:

By: Puente C.S.H.B. No. 147

A BILL TO BE ENTITLED

1	AN ACT

- 2 relating to the deferral of an administrative penalty imposed by
- 3 the Texas Commission on Environmental Quality against certain
- 4 utilities and districts.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 6 SECTION 1. Subchapter B, Chapter 7, Water Code, is amended
- 7 by adding Section 7.034 to read as follows:
- 8 Sec. 7.034. DEFERRAL OF PENALTY FOR CERTAIN UTILITY
- 9 FACILITIES. (a) In this section:
- 10 (1) "District" has the meaning assigned by Section
- 11 49.001.
- 12 (2) "Municipally owned utility" and "water supply or
- 13 <u>sewer service corporation" have the meanings assigned by Section</u>
- 14 13.002.
- 15 (b) The commission may allow a municipally owned utility, a
- 16 water supply or sewer service corporation, or a district to defer
- 17 the payment of all or part of an administrative penalty imposed
- 18 under Subchapter C for a violation on the condition that the entity
- 19 complies with all provisions for corrective action in a commission
- 20 <u>order to address the violation.</u>
- 21 (c) In determining whether deferral of a penalty under this
- 22 section is appropriate, the commission shall consider the factors
- to be considered under Section 7.053 and the following factors:
- 24 (1) the financial position of the entity and its

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- ability to reasonably pay the costs of corrective action under the
- 2 terms of a commission order;
- 3 (2) risks to public health and the environment of any
- 4 delay in addressing the corrective actions as a result of limited
- 5 financial resources;
- 6 (3) alternatives reasonably available to the entity
- 7 for paying both the costs of corrective action and the penalty; and
- 8 (4) potential effects of the payment of the penalty on
- 9 other essential public health and safety services for which the
- 10 <u>entity is responsible.</u>
- 11 (d) At the discretion of the commission, any penalty
- deferred under this section becomes due and payable on a commission
- determination that the entity is not in compliance with a provision
- 14 for corrective action in a commission order to address the
- 15 <u>violation</u>.
- SECTION 2. Section 7.034, Water Code, as added by this Act,
- 17 applies only to a violation that occurs on or after the effective
- date of this Act. A violation that occurs before the effective date
- of this Act is covered by the law in effect on the date the violation
- 20 occurred, and the former law is continued in effect for that
- 21 purpose.
- 22 SECTION 3. This Act takes effect September 1, 2007.