

## **BILL ANALYSIS**

C.S.H.B. 1535  
By: Reynolds  
Environmental Regulation  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Interested parties indicate that one of the unintended consequences of multiple regulations on sewage systems by the Texas Commission on Environmental Quality (TCEQ) has been that small commercial developments often are unable to obtain sewer service. The parties contend that proposed small commercial developments that are surrounded by municipalities or municipal utility districts that have no capacity or interest in expanding operations for such small concerns become very difficult to complete, and the common resulting option is to secure a time-consuming and expensive contested Texas Pollutant Discharge Elimination System permit from TCEQ. The parties note that the permit process is not streamlined and typically results in the commercial development becoming economically unfeasible. C.S.H.B. 1535 seeks to make changes that improve the processes relating to and the feasibility of such development.

### **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**

C.S.H.B. 1535 amends the Health and Safety Code to authorize a small commercial development sewage collection, treatment, and disposal system to be permitted as an on-site sewage disposal system if the system:

- is located on a property jointly owned by the property owners served by the system, as described by the county deed records;
- produces not more than 5,000 gallons a day on an annual average basis;
- serves an area not to exceed 15 acres;
- is designed to serve two or more sewage-generating units on separate tracts of land;
- collects sewage only from commercial or institutional facilities or business parks;
- is located more than 2,000 feet from the nearest reservoir used for municipal water supply, unless the owner of the reservoir consents in writing;
- is approved by the governing body of a municipality that provides wastewater utility service to the property where the system is located at the time of the permit request and in whose boundaries or extraterritorial jurisdiction the property is located;
- includes an interceptor for any facility engaged in food service activities, if required by Texas Commission on Environmental Quality (TCEQ) rule or local ordinance or code;
- does not accept waste streams from industrial users subject to general pretreatment regulations under federal law; and
- is professionally managed by an entity with the appropriate authorization required by TCEQ to manage the system.

C.S.H.B. 1535 authorizes a sewage collection, treatment, and disposal system that serves a county park to be permitted as an on-site sewage disposal system if the system:

- is located on property owned or operated by the county;
- produces not more than 5,000 gallons a day on an annual average basis;
- collects only sewage generated at the park; and
- meets the same criteria required for a small commercial development sewage collection, treatment, and disposal system to be permitted as an on-site sewage disposal system with respect to its distance from the nearest municipal water supply reservoir, municipal approval, inclusion of an interceptor for any facility engaged in food service activities, non-acceptance of waste streams from industrial users subject to general pretreatment regulations, and professional management by an appropriately authorized entity.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2013.

### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 1535 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and highlighted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

#### **INTRODUCED**

SECTION 1. Subchapter D, Chapter 366, Health and Safety Code, is amended by adding Section 366.0513 to read as follows:  
Sec. 366.0513. SMALL COMMERCIAL DEVELOPMENT SYSTEMS.

A small commercial development sewage collection, treatment, and disposal system may be permitted as an on-site sewage disposal system under this chapter if the system:

(1) is located on property jointly owned by the property owners served by the system;

(2) produces not more than 5,000 gallons a day on an annual average basis;

(3) serves an area that does not exceed 15 acres;

(4) is designed to serve two or more sewage-generating units on separate tracts of land; and

(5) collects sewage only from commercial or institutional facilities or business parks.

#### **HOUSE COMMITTEE SUBSTITUTE**

SECTION 1. Subchapter D, Chapter 366, Health and Safety Code, is amended by adding Section 366.0513 to read as follows:  
Sec. 366.0513. SMALL COMMERCIAL DEVELOPMENT AND COUNTY PARK SYSTEMS. (a) A small commercial development sewage collection, treatment, and disposal system may be permitted as an on-site sewage disposal system under this chapter if the system:

(1) is located on property jointly owned by the property owners served by the system, as described by the county deed records;

(2) produces not more than 5,000 gallons a day on an annual average basis;

(3) serves an area that does not exceed 15 acres;

(4) is designed to serve two or more sewage-generating units on separate tracts of land;

(5) collects sewage only from commercial or institutional facilities or business parks;

(6) is located more than 2,000 feet from the nearest reservoir used for municipal water supply, unless the owner of the reservoir consents in writing;

(7) is approved by the governing body of

any municipality:  
(A) that provides wastewater utility service to the property where the system is located at the time of the request for the permit; and  
(B) in whose boundaries or extraterritorial jurisdiction the property is located;  
(8) includes an interceptor for any facility engaged in food service activities, if required by commission rule or local ordinance or code;  
(9) does not accept waste streams from industrial users subject to general pretreatment regulations under 40 C.F.R. Part 403; and  
(10) is professionally managed by an entity with the appropriate authorization required by the commission to manage the system.

(b) A sewage collection, treatment, and disposal system that serves a county park may be permitted as an on-site sewage disposal system under this chapter if the system:  
(1) is located on property owned or operated by the county;  
(2) produces not more than 5,000 gallons a day on an annual average basis;  
(3) collects only sewage generated at the park; and  
(4) meets the requirements of Subsections (a)(6)-(10).

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.

SECTION 2. Same as introduced version.