

Amend CSHB 1818 (house committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill and any cross-references to those SECTIONS accordingly:

SECTION _____. Sections 81.0531(b), (c), and (d), Natural Resources Code, are amended to read as follows:

(b) The penalty may not exceed:

(1) \$25,000 [~~\$10,000~~] a day for each violation that is not related to pipeline safety; or

(2) \$200,000 a day for each violation that is related to pipeline safety.

(c) In determining the amount of the penalty, the commission shall consider the ~~[permittee's history of previous violations, the seriousness of the violation, any hazard to the health or safety of the public, and the demonstrated good faith of the person charged. In determining the amount of the penalty for a violation of a provision of this title or a rule, order, license, permit, or certificate that relates to pipeline safety, the commission shall consider the]~~ guidelines adopted under Subsection (d).

(d) The commission ~~[by rule]~~ shall adopt guidelines to be used in determining the amount of the penalty. The commission shall provide an opportunity for public input on the guidelines ~~[for a violation of a provision of this title or a rule, order, license, permit, or certificate that relates to pipeline safety]~~. The guidelines must ~~[shall]~~ include a penalty calculation worksheet that specifies the typical penalty for certain violations, circumstances justifying enhancement of a penalty and the amount of the enhancement, and circumstances justifying a reduction in a penalty and the amount of the reduction. The guidelines must provide for different penalties for different violations based on the seriousness of the violation and any hazard to the health or safety of the public resulting from the violation. The guidelines must ~~[shall]~~ take into account:

(1) the permittee's history of previous violations, including the number of previous violations;

(2) the seriousness of the violation and of any pollution resulting from the violation;

- (3) any hazard to the health or safety of the public;
- (4) the degree of culpability;
- (5) the demonstrated good faith of the person charged;

[and]

(6) the number of times the permittee's certificate of compliance issued under Subchapter P, Chapter 91, has been canceled;

(7) any economic benefit gained through the violation;

(8) the penalty necessary to deter future violations;

and

(9) any other factor the commission considers relevant.

SECTION _____. Section 81.058(d), Natural Resources Code, is amended to read as follows:

(d) An administrative penalty imposed under this section may not exceed \$25,000 [~~\$5,000~~] a day for each violation. Each day a violation continues or occurs is a separate violation for purposes of imposing a penalty under this section.

SECTION _____. Section 91.002(b), Natural Resources Code, is amended to read as follows:

(b) An offense under Subsection (a) of this section is punishable by a fine of not more than \$25,000 [~~\$10,000~~] a day for each day a violation is committed.

SECTION _____. Section 27.101(a), Water Code, is amended to read as follows:

(a) A person who violates any provision of this chapter under the jurisdiction of the railroad commission, any rule of the railroad commission made under this chapter, or any term, condition, or provision of a permit issued by the railroad commission under this chapter shall be subject to a civil penalty in any sum not exceeding \$25,000 [~~\$5,000~~] for each day of noncompliance and for each act of noncompliance. A violation under the jurisdiction of the commission is enforceable as provided by Chapter 7.

SECTION _____. Section 27.1011(b), Water Code, is amended to read as follows:

(b) The penalty may not exceed \$25,000 [~~\$10,000~~] a day for

each violation. Each day a violation continues may be considered a separate violation for purposes of penalty assessments.

SECTION _____. Section 27.105(a), Water Code, is amended to read as follows:

(a) A person who knowingly or intentionally violates a provision of this chapter under the jurisdiction of the railroad commission, a rule of the railroad commission, or a term, condition, or provision of a permit issued by the railroad commission under this chapter is subject to a fine of not more than \$25,000 [~~\$5,000~~] for each violation and for each day of violation. A violation under the jurisdiction of the commission is enforceable under Section 7.157.

SECTION _____. The changes in law made by this Act apply only to a violation committed on or after the effective date of this Act. A violation committed before the effective date of this Act is governed by the law in effect when the violation was committed, and the former law is continued in effect for that purpose. For purposes of this section, a violation was committed before the effective date of this Act if any element of the violation was committed before that date.