

By: Zwiener

H.B. No. 4116

A BILL TO BE ENTITLED

AN ACT

relating to a voluntary financial assurance program for permit holders under the National Pollutant Discharge Elimination System.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 26, Water Code, is amended by adding Section 26.054 to read as follows:

Sec. 26.054. VOLUNTARY FINANCIAL ASSURANCE PROGRAM. (a) In this section, "permit holder" means the holder of a permit to discharge effluent into any body of water under the NPDES.

(b) The commission shall establish a program to allow a permit holder to deposit with the commission an amount of money or evidence of equivalent financial assurance to be held in escrow by the commission to be used in the event the permit holder causes a discharge that results in damage to the environment.

(c) The commission shall adopt rules necessary to implement the program created under this section, including:

(1) establishing a standard escrow agreement describing the terms of the escrow and withdrawals from the escrow account;

(2) determining the amount and types of financial assurance to be deposited under Subsection (b); and

(3) establishing the procedure for withdrawing money or using financial instruments held in escrow to pay for the remediation of damage caused by a discharge of effluent by the

1 permit holder.

2       (d) The terms of the standard escrow agreement must allow  
3 for an agreement to be for the same term as the discharge permit  
4 held by the permit holder.

5       (e) The commission shall hold a public meeting in a  
6 municipality in which a permit holder chooses to participate in the  
7 program described by this section to present information about the  
8 program and the permit holder's participation.

9       SECTION 2. This Act takes effect September 1, 2019.