

AN ACT

relating to recycling of certain renewable energy components;  
authorizing an administrative penalty.

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

SECTION 1. Subtitle B, Title 5, Health and Safety Code, is  
amended by adding Chapter 376 to read as follows:

CHAPTER 376. RENEWABLE ENERGY COMPONENT RECYCLING FACILITIES

Sec. 376.001. DEFINITION. In this chapter, "commission"  
means the Texas Commission on Environmental Quality.

Sec. 376.002. APPLICABILITY. This chapter applies only to  
a recycling facility that accepts, processes, and repurposes  
components to recover valuable materials from:

(1) a wind turbine generator, including turbine  
blades, nacelles, nacelle covers, towers, drivetrains, generators,  
magnets, power electronics, and cables;

(2) a solar energy device, as defined by Section  
185.001, Utilities Code, including solar modules, junction boxes,  
transformers, inverters, racks or trackers, and cables; or

(3) a battery energy storage system, including battery  
cells, racks, containers, inverters, battery management systems,  
cooling and fire suppression systems, and cables.

Sec. 376.003. REPORT. (a) The owner of a recycling facility  
shall submit a report to the commission not later than January 15 of  
each year that includes:

1           (1) an inventory of all components of a wind turbine  
2 generator, solar energy device, or battery energy storage system  
3 accepted by the facility for recycling that have not yet been  
4 recycled, including any components the facility has taken title to  
5 or assumed control of regardless of whether the components are  
6 located at the facility;

7           (2) an estimated timeline for recycling or disposing  
8 of the components described by Subdivision (1); and

9           (3) a cost estimate for recycling or disposing of the  
10 components described by Subdivision (1) prepared by an independent,  
11 third-party professional engineer licensed in this state.

12           (b) The owner of the recycling facility shall:

13           (1) submit with the facility's first report submitted  
14 under Subsection (a) evidence of financial assurance in an amount  
15 equal to 100 percent of the cost estimated under Subsection (a)(3);  
16 and

17           (2) submit with each subsequent report any additional  
18 financial assurance necessary to ensure that the amount of  
19 financial assurance the owner has on file with the commission for  
20 the facility is at least equal to 100 percent of the cost estimated  
21 under Subsection (a)(3) in the subsequent report.

22           (c) Acceptable forms of financial assurance for purposes of  
23 this section include:

24           (1) a parent company guaranty with a minimum  
25 investment grade credit rating for the parent company issued by a  
26 major domestic credit rating agency;

27           (2) a letter of credit; or

1           (3) a bond.

2           Sec. 376.004. INTERNET POSTING. The commission shall  
3 maintain on its Internet website a list of recycling facilities in  
4 this state that are in compliance with this chapter.

5           Sec. 376.005. ADMINISTRATIVE PENALTY. (a) A person may not  
6 accept, process, or repurpose components as described by Section  
7 376.002 for compensation unless the person complies with the  
8 requirements of this chapter.

9           (b) The commission may impose an administrative penalty on  
10 an owner or operator of a recycling facility to which this section  
11 applies in accordance with Section 7.052(b-5), Water Code.

12           SECTION 2. Section 5.013(a), Water Code, is amended to read  
13 as follows:

14           (a) The commission has general jurisdiction over:

15                   (1) water and water rights including the issuance of  
16 water rights permits, water rights adjudication, cancellation of  
17 water rights, and enforcement of water rights;

18                   (2) continuing supervision over districts created  
19 under Article III, Sections 52(b)(1) and (2), and Article XVI,  
20 Section 59, of the Texas Constitution;

21                   (3) the state's water quality program including  
22 issuance of permits, enforcement of water quality rules, standards,  
23 orders, and permits, and water quality planning;

24                   (4) the determination of the feasibility of certain  
25 federal projects;

26                   (5) the adoption and enforcement of rules and  
27 performance of other acts relating to the safe construction,

1 maintenance, and removal of dams;

2 (6) conduct of the state's hazardous spill prevention  
3 and control program;

4 (7) the administration of the state's program relating  
5 to inactive hazardous substance, pollutant, and contaminant  
6 disposal facilities;

7 (8) the administration of a portion of the state's  
8 injection well program;

9 (9) the administration of the state's programs  
10 involving underground water and water wells and drilled and mined  
11 shafts;

12 (10) the state's responsibilities relating to regional  
13 waste disposal;

14 (11) the responsibilities assigned to the commission  
15 by Chapters 361, 363, 376, 382, 401, 505, 506, and 507, Health and  
16 Safety Code; and

17 (12) any other areas assigned to the commission by  
18 this code and other laws of this state.

19 SECTION 3. Section 7.052, Water Code, is amended by adding  
20 Subsection (b-5) to read as follows:

21 (b-5) The amount of the penalty for a violation of Chapter  
22 376, Health and Safety Code, may not exceed \$500 a day for each  
23 violation.

24 SECTION 4. This Act takes effect September 1, 2025.

H.B. No. 3229

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President of the Senate

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Speaker of the House

I certify that H.B. No. 3229 was passed by the House on April 29, 2025, by the following vote: Yeas 145, Nays 0, 1 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 3229 was passed by the Senate on May 19, 2025, by the following vote: Yeas 31, Nays 0.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor