

By: Lambert

H.B. No. 3229

A BILL TO BE ENTITLED

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 the components
8 described by Subdivision (1); and

9 (3) a cost estimate for recycling the components
10 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 125 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 125 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 (d) The owner of the recycling facility is responsible for
3 estimating costs under Subsection (a) and for paying the costs
4 associated with obtaining the financial assurance required by this
5 section.

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

9 Sec. 376.005. ADMINISTRATIVE PENALTY. (a) A person may not
10 accept, process, or repurpose components as described by Section
11 376.002 for compensation unless the person complies with the
12 requirements of this chapter.

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

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

18 (a) The commission has general jurisdiction over:

19 (1) water and water rights including the issuance of
20 water rights permits, water rights adjudication, cancellation of
21 water rights, and enforcement of water rights;

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

25 (3) the state's water quality program including
26 issuance of permits, enforcement of water quality rules, standards,
27 orders, and permits, and water quality planning;

1 (4) the determination of the feasibility of certain
2 federal projects;

3 (5) the adoption and enforcement of rules and
4 performance of other acts relating to the safe construction,
5 maintenance, and removal of dams;

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

8 (7) the administration of the state's program relating
9 to inactive hazardous substance, pollutant, and contaminant
10 disposal facilities;

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

13 (9) the administration of the state's programs
14 involving underground water and water wells and drilled and mined
15 shafts;

16 (10) the state's responsibilities relating to regional
17 waste disposal;

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

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

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

25 (b-5) The amount of the penalty for a violation of Chapter
26 376, Health and Safety Code, may not exceed \$500 a day for each
27 violation.

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