

1-1 By: Lambert, et al. (Senate Sponsor - Perry) H.B. No. 3229
1-2 (In the Senate - Received from the House April 29, 2025;
1-3 April 30, 2025, read first time and referred to Committee on
1-4 Business & Commerce; May 15, 2025, reported favorably by the
1-5 following vote: Yeas 11, Nays 0; May 15, 2025, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	Schwertner	X		
1-9	King	X		
1-10	Blanco	X		
1-11	Campbell	X		
1-12	Creighton	X		
1-13	Johnson	X		
1-14	Kolkhorst	X		
1-15	Menéndez	X		
1-16	Middleton	X		
1-17	Nichols	X		
1-18	Zaffirini	X		

1-19 A BILL TO BE ENTITLED
1-20 AN ACT

1-21 relating to recycling of certain renewable energy components;
1-22 authorizing an administrative penalty.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Subtitle B, Title 5, Health and Safety Code, is
1-25 amended by adding Chapter 376 to read as follows:

1-26 CHAPTER 376. RENEWABLE ENERGY COMPONENT RECYCLING FACILITIES

1-27 Sec. 376.001. DEFINITION. In this chapter, "commission"
1-28 means the Texas Commission on Environmental Quality.

1-29 Sec. 376.002. APPLICABILITY. This chapter applies only to
1-30 a recycling facility that accepts, processes, and repurposes
1-31 components to recover valuable materials from:

1-32 (1) a wind turbine generator, including turbine
1-33 blades, nacelles, nacelle covers, towers, drivetrains, generators,
1-34 magnets, power electronics, and cables;

1-35 (2) a solar energy device, as defined by Section
1-36 185.001, Utilities Code, including solar modules, junction boxes,
1-37 transformers, inverters, racks or trackers, and cables; or

1-38 (3) a battery energy storage system, including battery
1-39 cells, racks, containers, inverters, battery management systems,
1-40 cooling and fire suppression systems, and cables.

1-41 Sec. 376.003. REPORT. (a) The owner of a recycling facility
1-42 shall submit a report to the commission not later than January 15 of
1-43 each year that includes:

1-44 (1) an inventory of all components of a wind turbine
1-45 generator, solar energy device, or battery energy storage system
1-46 accepted by the facility for recycling that have not yet been
1-47 recycled, including any components the facility has taken title to
1-48 or assumed control of regardless of whether the components are
1-49 located at the facility;

1-50 (2) an estimated timeline for recycling or disposing
1-51 of the components described by Subdivision (1); and

1-52 (3) a cost estimate for recycling or disposing of the
1-53 components described by Subdivision (1) prepared by an independent,
1-54 third-party professional engineer licensed in this state.

1-55 (b) The owner of the recycling facility shall:

1-56 (1) submit with the facility's first report submitted
1-57 under Subsection (a) evidence of financial assurance in an amount
1-58 equal to 100 percent of the cost estimated under Subsection (a)(3);
1-59 and

1-60 (2) submit with each subsequent report any additional
1-61 financial assurance necessary to ensure that the amount of

financial assurance the owner has on file with the commission for the facility is at least equal to 100 percent of the cost estimated under Subsection (a)(3) in the subsequent report.

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

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

(2) a letter of credit; or

(3) a bond.

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

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

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

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

(a) The commission has general jurisdiction over:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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