By: Hinojosa of Hidalgo

S.B. No. 437

## A BILL TO BE ENTITLED

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| 1  | AN ACT  |
| 2  | relating to civil and administrative penalties assessed for         |
| 3  | violations of statutes or rules governing chemical dependency       |
| 4  | treatment facilities.   |
| 5  | BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:             |
| 6  | SECTION 1. Section 464.017(a), Health and Safety Code, is           |
| 7  | amended to read as follows:   |
| 8  | (a) A person or facility is subject to a civil penalty of not       |
| 9  | more than \$25,000 for each day of violation and for each act of    |
| 10 | violation of this subchapter or a rule adopted under this           |
| 11 | subchapter. In determining the amount of the civil penalty, the     |
| 12 | court shall consider:   |
| 13 | <ol> <li>the person's or facility's previous violations;</li> </ol> |

14 (2) the seriousness of the violation, including the15 nature, circumstances, extent, and gravity of the violation;

16 (3) whether the health and safety of the public was17 threatened by the violation;

18 (4) the demonstrated good faith of the person or 19 facility; [and]

(5) the amount necessary to deter future violations;
(6) the person's or facility's ability to pay the
penalty; and
(7) if the person's or facility's license is not
revoked under Section 464.014 because of the violation, the ability

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| 1  | of the person or facility to continue providing services under this  |
| 2  | chapter after paying the penalty.                                    |
| 3  | SECTION 2. Sections 464.019(c) and (s), Health and Safety            |
| 4  | Code, are amended to read as follows:                                |
| 5  | (c) The amount of the penalty shall be based on:                     |
| 6  | (1) the seriousness of the violation, including the                  |
| 7  | nature, circumstances, extent, and gravity of any prohibited acts,   |
| 8  | and the hazard or potential hazard created to the health, safety, or |
| 9  | economic welfare of the public;                                      |
| 10 | (2) enforcement costs relating to the violation;                     |
| 11 | (3) the history of previous violations;                              |
| 12 | (4) the amount necessary to deter future violations;                 |
| 13 | (5) efforts to correct the violation; [and]                          |
| 14 | (6) the person's ability to pay the penalty;                         |
| 15 | (7) if the person's license is not revoked under                     |
| 16 | Section 464.014 because of the violation, the person's ability to    |
| 17 | continue providing services under this chapter after paying the      |
| 18 | <pre>penalty;</pre>  |
| 19 | (8) the degree of the person's culpability in causing                |
| 20 | the violation; and   |
| 21 | (9) any other matter that justice may require.                       |
| 22 | (s) The commission shall post on the commission's Internet           |
| 23 | website current administrative penalty schedules applicable to a     |
| 24 | person licensed or regulated under this chapter. The commission      |
| 25 | shall ensure that the administrative penalties listed in the posted  |
| 26 | schedules are accurate. The administrative penalty schedules must    |
| 27 | consider the economic impact of an assessed penalty on a person      |

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## 1 licensed or regulated under this chapter and the factors described 2 by Subsection (c).

3 SECTION 3. The changes in law made by this Act apply only to 4 a violation that occurs on or after the effective date of this Act. 5 A violation that occurred before the effective date of this Act is 6 governed by the law in effect when the violation occurred, and the 7 former law is continued in effect for that purpose.

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