

By: Sparks, et al.
(Patterson, Landgraf, Anchía)

S.B. No. 2037

Substitute the following for S.B. No. 2037:

By: Landgraf

C.S.S.B. No. 2037

A BILL TO BE ENTITLED

AN ACT

relating to permit application review and contested case procedures
for environmental permits involving a project to construct or
modify a liquefied natural gas export terminal; authorizing a fee.

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

SECTION 1. Section 5.555, Water Code, is amended by adding
Subsection (a-1) to read as follows:

(a-1) With respect to a permit application filed with the
commission for a project to construct or modify a liquefied natural
gas export terminal or a renewal of that permit, the executive
director shall provide each response required by Subsection (a) not
later than the 120th day after the close of the public comment
period.

SECTION 2. Subchapter M, Chapter 5, Water Code, is amended
by adding Section 5.559 to read as follows:

Sec. 5.559. PROCEDURES FOR PERMIT APPLICATION REVIEW AND
CONTESTED CASES INVOLVING PROJECT TO CONSTRUCT OR MODIFY LIQUEFIED
NATURAL GAS EXPORT TERMINAL. (a) This section applies only to a
permit application filed with the commission for a project to
construct or modify a liquefied natural gas export terminal.

(b) The commission by rule shall establish an expedited
permit application review process for permit applications
described by Subsection (a). Rules adopted under this subsection
must require an applicant who elects the expedited permit

1 application review process to pay an additional fee in an amount the
2 commission determines is necessary to cover the costs of the
3 expedited review. The additional fee collected pursuant to this
4 subsection is considered part of the application fee and shall be
5 deposited and used in the manner provided for the application fee
6 under Section 5.701.

7 (c) In a request for a contested case hearing involving a
8 permit application described by Subsection (a), the party
9 requesting the hearing must specify each reason the party is an
10 affected person as defined by Section 5.115(a).

11 (d) In a contested case involving a permit application
12 described by Subsection (a), an administrative law judge shall
13 conduct a preliminary hearing not later than the 60th day after the
14 date the executive director refers the application to the State
15 Office of Administrative Hearings, provided that the judge may
16 grant one extension of the time, not to exceed 15 days, on request
17 of any party.

18 (e) The commission shall adopt rules as necessary to
19 implement this section.

20 SECTION 3. Section 382.056, Health and Safety Code, is
21 amended by amending Subsection (n) and adding Subsection (n-1) to
22 read as follows:

23 (n) Except as provided by Section 382.0561, the commission
24 shall consider a request that the commission reconsider the
25 executive director's decision or hold a contested case [~~public~~]
26 hearing in accordance with the procedures provided by Sections
27 5.556 and 5.557, Water Code.

1 (n-1) With respect to a permit application filed with the
2 commission under Section 382.0518 for a project to construct or
3 modify a liquefied natural gas export terminal or for renewal of a
4 permit issued to a liquefied natural gas export terminal under
5 Section 382.055:

6 (1) the requirements of Section 5.559, Water Code,
7 apply;

8 (2) the commission shall adopt rules as necessary to
9 implement Subdivision (1); and

10 (3) the executive director shall provide each response
11 required by Subsection (1) not later than the 120th day after the
12 close of the public comment period.

13 SECTION 4. The change in law made by this Act applies only
14 to a permit application for a project to construct or modify a
15 liquefied natural gas export terminal or a renewal of that permit
16 that is filed with the Texas Commission on Environmental Quality on
17 or after the effective date of this Act. A permit application for a
18 project to construct or modify a liquefied natural gas export
19 terminal or a renewal of that permit that is pending on the
20 effective date of this Act is governed by the law in effect at the
21 time the application was filed, and the former law is continued in
22 effect for that purpose.

23 SECTION 5. This Act takes effect September 1, 2025.