1-1 Campbell, Buckingham S.B. No. 694 By: (In the Senate - Filed February 7, 2019; March 1, 2019, read time and referred to Committee on Natural Resources & 1-2 1-3 first Economic Development; May 6, 2019, reported adversely, with favorable Committee Substitute by the following vote: Yeas 11, 1-4 1-5 1-6 Nays 0; May 6, 2019, sent to printer.)

1-7 COMMITTEE VOTE

1-8		Yea	Nay	Absent	PNV
1-9	Birdwell	X	_		
1-10	Zaffirini	X			
1-11	Fallon	X			
1-12	Flores	X			
1-13	Hancock	X			
1-14	Hinojosa	X			
1-15	Hughes	X			
1-16	Miles	X			
1-17	Paxton	X			
1-18	Powell	X			
1-19	Rodríguez	X			

1-20 COMMITTEE SUBSTITUTE FOR S.B. No. 694 Hancock By:

A BILL TO BE ENTITLED 1-21 1-22 AN ACT

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relating to the regulation of aggregate production operations by the Texas Commission on Environmental Quality; increasing a fee; increasing administrative penalties.

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

SECTION 1. Section 28A.053, Water Code, is amended to read as follows:

Sec. 28A.053. INSPECTION. (a) The commission shall inspect each active aggregate production operation in this state for compliance with applicable environmental laws and rules under the jurisdiction of the commission:

(1)at least once every two [three] years during the first six years in which the operation is registered; and

(2) after the expiration of the period described by Subdivision (1), at least once every three years.

(b) Except as provided by Subsection (c), the [The] commission may conduct an inspection only after providing notice to the responsible party in accordance with commission policy.

- (c) The commission may conduct unannounced periodic inspections under this section of an aggregate production operation that in the preceding three-year period has been issued a notice of violation by the commission for a violation of an environmental law or rule under the jurisdiction of the commission. The unannounced inspections may be conducted only for a period of not more than one year.
- An [Except as provided by Subsection (d), an] inspection must be conducted by one or more inspectors trained in the regulatory requirements [under the jurisdiction of the commission that are applicable to [an] active aggregate production operations under the jurisdiction of the commission [operation]. If the inspection is conducted by more than one inspector, each inspector is not required to be trained in each of the applicable regulatory requirements, but the combined training of the inspectors must include each of the applicable regulatory requirements. The applicable regulatory requirements include requirements related to:
- (1)individual water quality permits issued under Section 26.027;
- a general water quality permit issued under 1-60 (2)

2-1 Section 26.040;

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- (3) air quality permits issued under Section 382.051, Health and Safety Code; and
- (4) other regulatory requirements applicable to active aggregate production operations under the jurisdiction of the commission.
- (e) [(d)] An investigation in response to a complaint satisfies the requirement of an inspection under this section if a potential noncompliance issue not related to the complaint is observed and is:
- (1) not within an area of expertise of the investigator but is referred by the investigator to the commission for further investigation; or
- (2) within an area of expertise of the inspector and is appropriately investigated and appropriately addressed in the investigation report.

SECTION 2. Section 28A.101(b), Water Code, is amended to read as follows:

(b) The commission shall set the annual registration fee in an amount sufficient to maintain a registry of active aggregate production operations in this state and implement this chapter, not to exceed \$1,500 [\$1,000].

SECTION 3. Section 28A.102, Water Code, is amended to read as follows:

Sec. 28A.102. PENALTY. The commission may assess a penalty of not less than \$5,000 and not more than $\frac{$20,000}{$10,000}$ [\$10,000] for each year in which an aggregate production operation operates without being registered under this chapter. The total penalty under this section may not exceed $\frac{$40,000}{$10,000}$ [\$25,000] for an aggregate production operation that is operated in three or more years without being registered.

SECTION 4. Section 28A.102, Water Code, as amended by this Act, applies only to a penalty assessed on or after the effective date of this Act. A penalty assessed before the effective date of this Act is governed by the law in effect on the date the penalty was assessed, and the former law is continued in effect for that purpose.

SECTION 5. This Act takes effect September 1, 2019.

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