

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	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			
1-18	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

2-1 financial assurance the owner has on file with the commission for
2-2 the facility is at least equal to 100 percent of the cost estimated
2-3 under Subsection (a)(3) in the subsequent report.

2-4 (c) Acceptable forms of financial assurance for purposes of
2-5 this section include:

2-6 (1) a parent company guaranty with a minimum
2-7 investment grade credit rating for the parent company issued by a
2-8 major domestic credit rating agency;

2-9 (2) a letter of credit; or

2-10 (3) a bond.

2-11 Sec. 376.004. INTERNET POSTING. The commission shall
2-12 maintain on its Internet website a list of recycling facilities in
2-13 this state that are in compliance with this chapter.

2-14 Sec. 376.005. ADMINISTRATIVE PENALTY. (a) A person may not
2-15 accept, process, or repurpose components as described by Section
2-16 376.002 for compensation unless the person complies with the
2-17 requirements of this chapter.

2-18 (b) The commission may impose an administrative penalty on
2-19 an owner or operator of a recycling facility to which this section
2-20 applies in accordance with Section 7.052(b-5), Water Code.

2-21 SECTION 2. Section 5.013(a), Water Code, is amended to read
2-22 as follows:

2-23 (a) The commission has general jurisdiction over:

2-24 (1) water and water rights including the issuance of
2-25 water rights permits, water rights adjudication, cancellation of
2-26 water rights, and enforcement of water rights;

2-27 (2) continuing supervision over districts created
2-28 under Article III, Sections 52(b)(1) and (2), and Article XVI,
2-29 Section 59, of the Texas Constitution;

2-30 (3) the state's water quality program including
2-31 issuance of permits, enforcement of water quality rules, standards,
2-32 orders, and permits, and water quality planning;

2-33 (4) the determination of the feasibility of certain
2-34 federal projects;

2-35 (5) the adoption and enforcement of rules and
2-36 performance of other acts relating to the safe construction,
2-37 maintenance, and removal of dams;

2-38 (6) conduct of the state's hazardous spill prevention
2-39 and control program;

2-40 (7) the administration of the state's program relating
2-41 to inactive hazardous substance, pollutant, and contaminant
2-42 disposal facilities;

2-43 (8) the administration of a portion of the state's
2-44 injection well program;

2-45 (9) the administration of the state's programs
2-46 involving underground water and water wells and drilled and mined
2-47 shafts;

2-48 (10) the state's responsibilities relating to regional
2-49 waste disposal;

2-50 (11) the responsibilities assigned to the commission
2-51 by Chapters 361, 363, 376, 382, 401, 505, 506, and 507, Health and
2-52 Safety Code; and

2-53 (12) any other areas assigned to the commission by
2-54 this code and other laws of this state.

2-55 SECTION 3. Section 7.052, Water Code, is amended by adding
2-56 Subsection (b-5) to read as follows:

2-57 (b-5) The amount of the penalty for a violation of Chapter
2-58 376, Health and Safety Code, may not exceed \$500 a day for each
2-59 violation.

2-60 SECTION 4. This Act takes effect September 1, 2025.

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