

## **BILL ANALYSIS**

Senate Research Center

H.B. 2997  
By: Callegari (Lucio)  
Natural Resources  
5/28/2001(REVISED)  
Engrossed

### **DIGEST AND PURPOSE**

Texas has not developed a comprehensive program for the use of environmental management systems (system) that assist regulated businesses in reaching, maintaining, and even exceeding compliance with environmental regulations. Many would like to implement these systems to improve compliance of environmental regulations and reduce pollution. The Sunset Advisory Commission has recommended that the Texas Natural Resource Conservation Commission (TNRCC) encourage regulated entities to develop these systems as a measure of their commitment to compliance with environmental regulations and to natural resource conservation. H.B. 2997 requires TNRCC to adopt a comprehensive program that provides certain incentives to encourage the use of environmental management systems by regulated entities.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 5D, Water Code, by adding Section 5.127, as follows:

Sec. 5.127. ENVIRONMENTAL MANAGEMENT SYSTEMS. (a) Defines "environmental management system."

(b) Requires the Texas Natural Resource Conservation Commission (commission) by rule to adopt a comprehensive program that provides regulatory incentives to encourage the use of environmental management systems by regulated entities, state agencies, local governments, and other entities as determined by the commission. Authorizes the incentives to include certain features.

(c) Requires the rules to provide that an environmental management system, at a minimum, must require the entity implementing the system to carry out certain duties.

(d) Requires the commission to carry out certain duties.

SECTION 2. Amends Section 26.028, Water Code, by adding a new Subsection (e) and relettering existing Subsections (e)-(g) as Subsections (f)-(h), to require the commission, in considering an applicant's compliance history under Subsection (d)(4), to consider as evidence of compliance information regarding the applicant's implementation of an environmental management system at the facility for which the permit, permit amendment, or permit renewal is sought. Provides that in this subsection, "environmental management system" has the meaning assigned by Section 5.127.

SECTION 3. Amends Section 26.0281, Water Code, to make a conforming change.

SECTION 4. Amends Section 27.051(e), Water Code, to add language to require a compliance summary to include as evidence of compliance information regarding the applicant's implementation of an environmental management system at the facility for which an authorization is sought. Makes a conforming change.

SECTION 5. Amends Section 361.084(a), Health and Safety Code, to make a conforming change.

SECTION 6. Amends Section 382.0518(c), Health and Safety Code, to make a conforming change.

SECTION 7. (a) Requires that not later than December 1, 2001, the Texas Natural Resource Conservation Commission adopt the rules required by Section 5.127, Water Code, as added by this Act.

(b) Provides that the changes in law made by this Act by amending Sections 26.028, 26.0281, and 27.051(e), Water Code, and Sections 361.084(a) and 382.0518(c), Health and Safety Code, apply only to an application for a permit, permit modification, permit amendment, permit revision, permit reopening, or permit renewal that is filed with the Texas Natural Resource Conservation Commission on or after the date on which the commission publishes in the Texas Register the final rules adopted under Section 5.127, Water Code, as added by this Act.

SECTION 8. Effective date: September 1, 2001.