

## **BILL ANALYSIS**

Senate Research Center

H.B. 2546  
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Natural Resources  
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Engrossed

### **DIGEST AND PURPOSE**

Land application of Class B sludge has been of concern to several citizens in the state of Texas. H.B. 2546 provides for more restrictions and requirements to companies involved in the practice of applying Class B sludge to help ensure more safety for citizens, land, and water, including a more vigorous tracking system, identification of crops grown at the site of application, suggested agronomic application rate, proof of certain types of insurance, proper licensing of supervisors, date, source, quality, and quantity of sludge applied and transportation requirements.

### **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 Section 361.121, Health and Safety Code, by amending Subsections (b), (c), (d), and (h) and adding Subsections (j), (k), (l), (m), (n), and (o), as follows:

- (b) Prohibits a responsible person, except as provided by Subsection (m), from applying Class B sludge on a land application unit unless the responsible person has obtained a permit for that land application unit issued by the Texas Commission on Environmental Quality (TCEQ) under this section on or after September 1, 2003.
- (c) Requires an applicant for a permit, permit amendment, or permit renewal under this section, at the time published notice of intent to obtain a permit is required under Section 5.552, Water Code, to notify by registered or certified mail each owner of land located within one-quarter mile of the proposed land application unit who lives on that land of the intent to obtain the permit, amendment, or renewal. Requires notice to landowners to include the information required by Section 5.552(c), Water Code, and information regarding the anticipated date of the first application of the sludge to the proposed land application unit. Provides that an owner of land located within one-quarter mile of the proposed land application unit who lives on that land is an affected person for purposes of Section 5.115, Water Code.
- (d) Requires TCEQ, in each permit, to prescribe certain conditions under which it is issued.
- (h) Requires TCEQ by rule to require an applicant for a permit under this section to submit with the application, at a minimum, certain information.
- (j) Requires a permit holder to maintain an insurance policy required by Subsection (h) in effect for the duration of the permit.
- (k) Requires TCEQ to create and operate a tracking system for the land application of Class B sludge. Requires TCEQ to require a permit holder to report deliveries and applications of Class B sludge using the tracking system and to post the reported information on its website. Requires the tracking system to allow a permit holder to report certain information electronically.

(l) Prohibits a permit holder from accepting Class B sludge unless the sludge has been transported to the land application unit in a covered container with the covering firmly secured at the front and back.

(m) Authorizes a person who holds a registration for the application of Class B sludge for a beneficial use approved by TCEQ and who, on or before September 1, 2002, has submitted to TCEQ an administratively complete application for a permit under this section to apply Class B sludge in accordance with the terms of the registration until TCEQ issues a final decision to issue or deny the permit for which the person has applied.

(n) Provides that the insurance requirements under Subsections (h)(2) and (3) do not apply to an applicant that is a political subdivision.

(o) Prohibits TCEQ from issuing a permit under this section for a land application unit that is located both in a county that borders the Gulf of Mexico and 500 feet or less from any water well or surface water.

SECTION 2. (a) Effective date: September 1, 2003.

(b) Provides that the changes in law made to Sections 361.121(c) and (h), Health and Safety Code, by this Act apply to an application to apply Class B sludge to a land application unit that is filed with TCEQ on or after September 1, 2003 or filed with TCEQ before September 1, 2003, but not found to be administratively complete before that date.