

## **BILL ANALYSIS**

Senate Research Center  
86R33528 JRR-F

C.S.H.B. 3224  
By: Lozano (Zaffirini)  
Natural Resources & Economic Development  
5/16/2019  
Committee Report (Substituted)

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Metal recycling entities (MREs) purchase scrap metal from the public, private businesses, and law enforcement and then arrange for the disposal of this material with treatment facilities, incineration vessels, steel plants, and other similar industrial entities. Sometimes these industrial facilities go out of business after having polluted the environment with the scrap metal. Under current state law, an MRE could be held liable for the polluting that occurred after the material was sold to the industrial facility. Because federal law has a different liability standard, stakeholders have raised concerns about this incongruity and whether state law should be aligned with federal law.

Accordingly, H.B. 3224 would require the Texas Commission on Environmental Quality (TCEQ) to conduct a study on the potential impacts of creating a liability exemption for recyclers under the Solid Waste Disposal Act. H.B. 3224 would call for TCEQ to create a workgroup that includes industry representatives and to submit a report to the legislature regarding study findings and proposing legislative recommendations based on the study. H.B. 3224 aims to bring TCEQ and interested stakeholders together to determine the optimal solution for Texas. (Author's/Sponsor's Original Statement of Intent)

C.S.H.B. 3224 amends current law relating to a study on the creation of a defense under the Solid Waste Disposal Act for persons engaged in certain recycling transactions.

### **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. (a) Defines "commission" as the Texas Commission on Environmental Quality (TCEQ). Defines "recyclable material."

(b) Requires TCEQ, in consultation with industry stakeholders, to:

(1) conduct a study on the potential impacts of creating a defense to liability under Section 361.271(a)(3) (relating to providing that a person, unless otherwise defined in applicable statutes and rules, is responsible for solid waste if the person by certain means arranged to take certain actions or arranged with a transporter and any other person or entity to take those actions at certain locations) or (4) (relating to providing that a person, unless otherwise defined in applicable statutes and rules, is responsible for solid waste if the person accepts or accepted any solid waste for transport to a solid waste facility or site selected by the person), Health and Safety Code, for persons who arrange for recycling of recyclable material who would not be liable for the recyclable material under 42 U.S.C. Section 9607(a)(3) or (4) based on the person meeting the applicable criteria established under 42 U.S.C. Section 9627; and

(2) propose legislative recommendations based on the study.

(c) Requires TCEQ to establish a workgroup that includes industry stakeholders for the purpose of assisting TCEQ in proposing legislative recommendations under Subsection (b)(2) of this section.

(d) Requires TCEQ, not later than January 15, 2021, to submit to the legislature a report on the findings of the study and legislative recommendations based on the study.

(e) Provides that this Act expires August 31, 2021.

SECTION 2. Effective date: September 1, 2019.