

**SUBJECT:** Requiring financial assurance for grease trap and grit trap waste transporters

**COMMITTEE:** Environmental Regulation — committee substitute recommended

**VOTE:** 5 ayes — Bonnen, Crownover, Chisum, W. Smith, West  
0 nays  
2 absent — Kuempel, Flores

**WITNESSES:** None

**BACKGROUND:** Grease traps are used at restaurants to separate fats, oils, and greases from the restaurant's wastewater before it is discharged into the public sewer system. Similarly, grit traps are used at car wash facilities to prevent petroleum-based waste or other inorganic sediments from entering the sewer system. Grease trap companies visit periodically to pump out waste from the traps and transport it to a designated disposal facility.

The Texas Commission on Environmental Quality (TCEQ) requires a transporter of grit trap or grease trap waste to register with the agency (TAC, Title 30, pt. 1, ch. 312, subch. G, rule 312.142). Health and Safety Code, ch. 368 authorizes a county to regulate grease trap and grit trap waste transporters. A city may contract to participate in a county's regulatory program.

**DIGEST:** CSHB 1765 would allow TCEQ to require financial assurance as a condition for issuing a permit or registration to collect, transport, or process waste from a grit trap or grease trap. Financial assurance requirements would have to be consistent with the risk associated with the waste. If TCEQ required financial assurance, providing the assurance would satisfy any county or municipal financial assurance requirements.

The bill would take effect September 1, 2003.

**SUPPORTERS SAY:** CSHB 1765 would allow TCEQ to require financial assurance for registered grease trap and grit trap waste transporters. Illegal discharge of these wastes

into the public sewer system poses a serious threat to wastewater treatment facilities. Discharge into a waterway or creek can have long-lasting environmental effects. The bill would allow TCEQ to impose financial assurance requirements on waste transporters to ensure that the costs to clean up illegal discharges or spills were paid for by the operator, instead of by the community or the state. Moreover, TCEQ already requires financial assurance for transporters of other wastes that pose risks to human health and the environment, such as used oil or medical waste.

The bill would allow TCEQ to ensure that all grease trap and grit trap waste transporters provided financial assurance. In their regulatory programs, many cities do not require transporters to provide financial assurance. The bill would not duplicate local requirements, because meeting the state's financial assurance requirements automatically would satisfy any city or county requirements.

**OPPONENTS  
SAY:**

Meeting financial assurance requirements would increase costs for grease trap companies, many of which are small businesses. The increased costs would be passed on to customers. Moreover, state financial assurance requirements would be unnecessary because most cities already regulate grease trap and grit trap waste disposal, ensuring safe handling and disposal of the waste.

**NOTES:**

The committee substitute differs from the bill as introduced by making financial assurance requirements permissive, instead of mandatory. The substitute also narrowed the types of waste to which the bill would apply and specified that meeting state financial assurance requirements would satisfy county or municipal requirements.