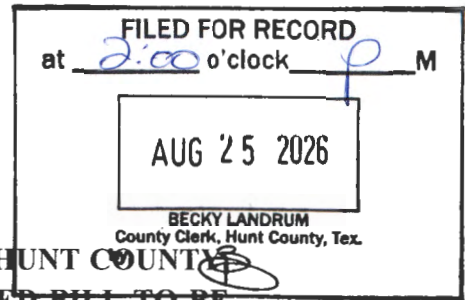


RESOLUTION NO. 20282



A RESOLUTION OF THE COMMISSIONERS COURT OF HUNT COUNTY, TEXAS SUPPORTING THE ENACTMENT OF A PROPOSED BILL TO BE ENTITLED THE "HIGH-IMPACT FACILITY DECOMMISSIONING AND FINANCIAL ASSURANCE ACT," WHICH WOULD REQUIRE THE OWNERS OF CERTAIN HIGH-IMPACT FACILITIES, INCLUDING DATA CENTERS, TO MAINTAIN A DECOMMISSIONING PLAN AND FINANCIAL ASSURANCE, FOR THE BENEFIT OF THE HOST COUNTY, SIZED TO THE COST OF REMOVAL AND SITE RESTORATION.

WHEREAS, the Legislature has three times required decommissioning obligations and financial assurance for large energy facilities — wind, solar, and battery energy storage — but those chapters operate through agreements with the landowner, and a data-center company that owns its own land therefore has, under current law, no decommissioning obligation to anyone; and

WHEREAS, the computing equipment that gives such facilities their value becomes obsolete on short cycles, ownership changes hands frequently, and an abandoned facility would leave structures, equipment, fuel, and chemical storage whose burden would fall on the host county and its taxpayers; and

WHEREAS, the proposed bill would require, before commercial operation, a decommissioning plan and financial assurance sized by an independent professional estimate, updated every five years and upon expansion, with disputes resolved by a neutral third estimator, salvage credit capped, county entry to perform the work only with landowner consent or a court order, and abandonment declared only after notice and a fair opportunity for the owner to respond; and

WHEREAS, the Commissioners Court finds that the protective model the Legislature has already applied three times to energy facilities should apply equally to the largest buildings ever proposed for rural Texas, and that enactment of the proposed bill is in the best interest of the residents of this County;

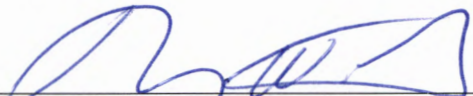
NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS COURT OF HUNT COUNTY, TEXAS, THAT:

1. The Commissioners Court supports and endorses the enactment of the proposed High-Impact Facility Decommissioning and Financial Assurance Act Bill by the 90th Texas Legislature.
2. The Court respectfully requests the County's State Senator, the Honorable Angela Paxton, and the County's State Representative, the Honorable Brent Money, to author, sponsor, co-sponsor, and support the proposed bill, and to work toward its passage.
3. The Court directs that certified copies of this Resolution be transmitted to the Governor, the Lieutenant Governor, the Speaker of the House of Representatives, the County's state legislative

delegation, the standing committees of the Senate and House with primary jurisdiction over the bill, and the Texas Association of Counties.

4. This Resolution takes effect immediately upon its adoption.

PASSED, APPROVED, AND ADOPTED by the Commissioners Court of Hunt County, Texas, at a duly posted meeting at which a quorum was present and voting, on this the 25th day of August, 2026.



Bobby Stovall, County Judge

ATTEST:



Becky Landrum, County Clerk

By: _____

H.B./S.B. No. _____

(90th Legislature, Regular Session)

A BILL TO BE ENTITLED

AN ACT

relating to decommissioning requirements and financial assurance for certain high-impact facilities, including data centers, in the unincorporated areas of counties; providing civil penalties.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. FINDINGS AND PURPOSE. (a) The legislature finds that:

(1) the legislature has three times enacted decommissioning requirements for large energy facilities: for wind power facilities under Chapter 301, Utilities Code; for solar power facilities under Chapter 302, Utilities Code, enacted by S.B. 760, 87th Legislature, Regular Session, 2021; and for battery energy storage facilities under Chapter 303, Utilities Code, enacted by H.B. 3809, 89th Legislature, Regular Session, 2025, with related recycling and financial assurance requirements added to Chapters 301 and 302 by H.B. 3228, 89th Legislature, Regular Session, 2025;

(2) each of those chapters operates through agreements between a facility operator and the owner of the land on which the facility is located, because wind, solar, and battery facilities typically occupy leased land; by their terms those chapters do not reach a facility located on land owned by its operator;

(3) data centers and similar high-impact facilities typically occupy land owned by the facility owner, so no landowner counterparty exists to hold removal and restoration obligations, and rapid technology cycles create a risk that such facilities will cease operation and be abandoned, leaving structures, equipment, and fuel and chemical storage whose burden falls on the host county and its taxpayers; and

(4) a requirement that the owner of a high-impact facility maintain a decommissioning plan and financial assurance for the benefit of the host county applies to the owner's own land the same protective model the legislature has already established for energy facilities on leased land, and does not regulate any matter within the jurisdiction of a state agency.

(b) The purpose of this Act is to require decommissioning plans and financial assurance, for the benefit of host counties, for certain high-impact facilities in the unincorporated areas of counties.

SECTION 2. Subtitle B, Title 7, Local Government Code, is amended by adding Chapter 247 to read as follows:

**CHAPTER 247. DECOMMISSIONING OF CERTAIN HIGH-IMPACT
FACILITIES IN UNINCORPORATED AREAS**

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 247.001. DEFINITIONS. In this chapter:

- (1) “Abandoned” means that a covered facility has ceased its principal operations for 12 consecutive months, notwithstanding the continuation of caretaker, security, or maintenance activity at the site, without the facility owner having provided the host county written notice of an intent to resume operations together with a reasonable schedule for resumption. A covered facility may not be treated as abandoned unless the host county has provided the facility owner written notice of the county's intent to treat the facility as abandoned and the facility owner has failed, on or before the 30th day after the date of the notice, to demonstrate to the commissioners court that the facility's principal operations have not ceased for 12 consecutive months or to provide the notice and schedule described by this subdivision.
- (2) “Commercial operation” means the regular conduct of the principal operations of a covered facility, other than testing and commissioning.
- (3) “Commissioners court” means the commissioners court of a county.
- (4) “Covered facility” means a facility described by Section 247.003.
- (5) “Data center” means a facility, or a group of facilities at a single location or on contiguous or nearby parcels under common ownership or control, used primarily to house computer systems, servers, and associated equipment for the processing, storage, management, or distribution of data, including a facility used primarily for cryptocurrency mining or other high-density computing.
- (6) “Decommission” means to perform the removal, disposal, recycling, and restoration activities required by the decommissioning plan under Section 247.051.
- (7) “Facility owner” means the person that owns or operates a covered facility, without regard to whether the person owns the land on which the facility is located.
- (8) “Financial assurance” means assurance provided under Section 247.052.
- (9) “Host county” means a county in whose unincorporated area a covered facility is located, wholly or partly.
- (10) “Qualified estimator” means a licensed professional engineer, or another person with demonstrated expertise in the estimation of industrial decommissioning and site restoration costs.
- (11) “Unincorporated area” means the area of a county that is outside the corporate boundaries of a municipality.

Sec. 247.002. APPLICABILITY. (a) This chapter applies to each county.

(b) This chapter applies to a covered facility located wholly or partly in the unincorporated area of a county that:

- (1) commences commercial operation on or after the effective date of this chapter; or

- (2) commenced commercial operation before the effective date of this chapter, beginning on the date the facility undergoes a material expansion, which for purposes of this chapter means an increase of 25 percent or more in building area or in electrical capacity.

Sec. 247.003. COVERED FACILITY. In this chapter, “covered facility” means a facility in the unincorporated area of a county that is:

- (1) a data center, without regard to its electrical or water demand; or
- (2) another commercial or industrial facility that requires 75 megawatts or more of electrical load at the point of interconnection, determined by aggregating the load of facilities that are part of a common development or that are located on contiguous parcels under common ownership or control, or that requires 1,000,000 gallons or more per day of consumptive water use.

Sec. 247.004. RELATIONSHIP TO OTHER LAW. (a) This chapter does not authorize a county to regulate any matter within the jurisdiction of the Public Utility Commission of Texas, an independent organization certified under Section 39.151, Utilities Code, the Texas Commission on Environmental Quality, the Texas Water Development Board, or a groundwater conservation district, or any matter preempted by federal law, and is not a zoning regulation.

(b) This chapter does not apply to a facility, or to equipment, that is subject to an enforceable decommissioning obligation under Chapter 301, 302, or 303, Utilities Code, to the extent of the property covered by that obligation.

(c) An enforceable written agreement between the facility owner and each host county that provides decommissioning obligations and financial assurance equal to or greater than the requirements of this chapter satisfies this chapter.

(d) This chapter does not limit any obligation of a facility owner under other law, including law governing the removal, disposal, or remediation of solid waste, hazardous materials, or petroleum storage tanks.

SUBCHAPTER B. DECOMMISSIONING PLAN; FINANCIAL ASSURANCE

Sec. 247.051. DECOMMISSIONING PLAN. (a) Before commencing commercial operation, the facility owner of a covered facility shall file a decommissioning plan with the county clerk of each host county and deliver a copy to the county judge.

(b) The decommissioning plan must provide, at a minimum, for:

- (1) the removal of all above-grade structures, improvements, and equipment of the covered facility;
- (2) the removal of foundations, slabs, and other below-grade installations to a depth of at least three feet below grade;
- (3) the removal and lawful disposal of all fuels, chemicals, batteries, and other hazardous materials, and the closure or removal of storage tanks in accordance with applicable law;

(4) the collection and reuse, recycling, or shipment for recycling of all facility components practicably capable of being reused or recycled, and the lawful disposal of all other components;

(5) the restoration of grades and drainage substantially to their pre-development function; and

(6) the restoration of the soils of the site to a condition substantially capable of supporting agricultural or open-space use similar to the use of the land before development.

(c) In lieu of the removal of specified structures, the decommissioning plan may provide for the preservation of those structures for a demonstrated future use if the commissioners court of each host county approves the preservation by order.

(d) The facility owner shall update the decommissioning plan with each update of financial assurance under Section 247.052(e) and on any material change to the covered facility.

Sec. 247.052. FINANCIAL ASSURANCE. (a) Before commencing commercial operation, the facility owner shall deliver to each host county, and thereafter maintain, financial assurance for the performance of the decommissioning plan.

(b) Financial assurance must be in the form of a surety bond issued by a surety authorized to do business in this state, an irrevocable letter of credit issued by a federally insured financial institution, a cash escrow, or a guaranty of a parent or affiliate entity that satisfies credit criteria stated in the decommissioning plan and approved by order of the commissioners court of each host county.

(c) The amount of the financial assurance must equal the estimated cost of fully performing the decommissioning plan, less the estimated salvage value of facility components, except that the salvage offset may not exceed 50 percent of estimated gross salvage value. The estimate must be prepared by a qualified estimator retained at the facility owner's expense.

(d) If the covered facility is located in more than one host county, the financial assurance shall be allocated among the host counties in proportion to the land area of the facility in each county, unless the counties agree to a different allocation.

(e) The facility owner shall obtain a new estimate under Subsection (c), and shall conform the amount of the financial assurance to the new estimate, not later than each fifth anniversary of the commencement of commercial operation and on any material expansion of the covered facility.

(f) A host county may object in writing to an estimate under this section not later than the 90th day after the date the estimate is delivered to the county. If the objection is not resolved by agreement on or before the 60th day after the date of the objection, the amount in dispute shall be determined by a third qualified estimator selected jointly by the county and the facility owner or, on motion of either, appointed by a district judge of the host county. The determination is binding, the cost of the third estimator shall be shared equally, and the facility owner shall conform the financial assurance to the determination not later than the 60th day after the date of the determination.

Sec. 247.053. NOTICE OF CESSATION. The facility owner shall provide written notice to the county judge of each host county not later than the 30th day after the date the covered facility ceases its principal operations, and shall thereafter provide status reports at reasonable intervals requested by the commissioners court.

Sec. 247.054. DUTY TO DECOMMISSION. (a) The facility owner shall decommission the covered facility if the facility permanently ceases commercial operation or is abandoned.

(b) Decommissioning must be completed not later than the 18th month after the date the duty arises. The commissioners court may extend the period for good cause.

SUBCHAPTER C. ENFORCEMENT

Sec. 247.101. COUNTY PERFORMANCE; RECOVERY; LIEN. (a) If the facility owner fails to perform the duty imposed by Section 247.054, each host county may draw on the financial assurance and, after 30 days' written notice to the facility owner and any owner of the land, may enter the land, with the written consent of the owner of the land or under an order of a district court of the host county, to perform the decommissioning plan itself or by contract. The court shall hear and determine an application for an order under this subsection as expeditiously as practicable and, in the case of an imminent hazard to public health or safety, may issue the order after such notice as the court determines is practicable under the circumstances.

(b) Costs reasonably incurred by a host county under this section in excess of the financial assurance are recoverable from the facility owner and, on the recording of a notice of lien in the real property records of the county, constitute a lien on the real property of the covered facility, enforceable in the manner provided by law for the foreclosure of liens on real property.

Sec. 247.102. CIVIL PENALTY. (a) A facility owner that commences or continues commercial operation of a covered facility without the decommissioning plan or financial assurance required by this chapter, or that fails to perform the duty imposed by Section 247.054, is liable to the host county for a civil penalty of not less than \$1,000 or more than \$10,000 for each day the violation continues. Each day a violation continues is a separate violation.

(b) In determining the amount of the penalty, the court shall consider the seriousness of the violation, the facility owner's culpability and history of previous violations, the facility owner's good-faith efforts to comply, and the economic benefit of noncompliance.

(c) The county attorney or district attorney with jurisdiction in the host county, or the attorney general at the request of the commissioners court, may bring an action under this section on behalf of the county. Venue is in a district court of the host county.

(d) A penalty recovered under this section shall be deposited to the credit of the general fund of the host county and may be appropriated only for decommissioning administration, road and bridge maintenance, fire protection, or emergency services.

Sec. 247.103. INJUNCTIVE RELIEF. A district court of the host county may enjoin the commencement or continuation of commercial operation of a covered facility that is not in

compliance with this chapter and may order performance of the decommissioning plan. The county is not required to give bond as a condition of injunctive relief.

Sec. 247.104. REMEDIES CUMULATIVE. The remedies provided by this subchapter are cumulative of other remedies provided by law.

SECTION 3. Chapter 247, Local Government Code, as added by this Act, applies as provided by Section 247.002(b) of that chapter.

SECTION 4. If any provision of this Act or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of this Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 5. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2027.