89R9575 KRM-D

By:  Birdwell S.B. No. 1758

A BILL TO BE ENTITLED

AN ACT

relating to the operation of a cement kiln and the production of aggregates near a semiconductor wafer manufacturing facility.

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

SECTION 1.  Chapter 382, Health and Safety Code, is amended by adding Subchapters M and M-1 to read as follows:

SUBCHAPTER M. CEMENT PRODUCTION AND SEMICONDUCTOR WAFER MANUFACTURING FACILITY

Sec. 382.601.  DEFINITIONS. In this subchapter:

(1)  "Portland cement kiln" means a system, including any solid, gaseous, or liquid fuel combustion equipment, used to calcine and fuse raw materials, including limestone and clay, to produce portland cement clinker.

(2)  "Semiconductor wafer manufacturing facility" means a manufacturing facility that conducts any of the following processes with respect to semiconductor production:

(A)  growing single-crystal ingots or boules;

(B)  wafer slicing;

(C)  etching and polishing;

(D)  bonding;

(E)  cleaning;

(F)  epitaxial deposition; or

(G)  metrology.

Sec. 382.602.  LIMITATION OF LIABILITY. An owner or operator of a facility operating under a new source review permit issued under this chapter that authorizes the operation of a portland cement kiln is not liable for damages to a semiconductor wafer manufacturing facility resulting from seismic or vibrational disturbances caused by the cement facility owner or operator's activities on the site of the cement facility if the cement facility began operating before the date the semiconductor wafer manufacturing facility began operating.

SUBCHAPTER M-1. CEMENT PRODUCTION AND SEMICONDUCTOR WAFER MANUFACTURING FACILITY PILOT PROGRAM: GRAYSON COUNTY

Sec. 382.651.  DEFINITIONS. In this subchapter:

(1)  "Aggregate production operation" has the meaning assigned by Section 28A.001, Water Code.

(2)  "Bureau" means the Bureau of Economic Geology of The University of Texas at Austin.

(3)  "Portland cement kiln" means a system, including any solid, gaseous, or liquid fuel combustion equipment, used to calcine and fuse raw materials, including limestone and clay, to produce portland cement clinker.

(4)  "Semiconductor wafer manufacturing facility" has the meaning assigned by Section 382.601.

Sec. 382.652.  GRAYSON COUNTY PILOT PROGRAM. This subchapter applies only to:

(1)  a semiconductor wafer manufacturing facility that begins operation after January 1, 2025, and before December 31, 2025; and

(2)  a facility that:

(A)  is proposed to be constructed under or is operating under a new source review permit that authorizes the construction or operation of a portland cement kiln; and

(B)  includes or is sited adjacent to an aggregate production operation.

Sec. 382.653.  STUDY AND REPORT. (a) The bureau shall conduct a study, in consultation with owners or operators of facilities described by Section 382.652 in Grayson County, to:

(1)  analyze seismological data related to aggregate production operations;

(2)  assess the vibrational impact of the production of aggregates on bedrock;

(3)  analyze vibrational parameters necessary to ensure the successful operation of a semiconductor wafer manufacturing facility within 10 miles of a facility described by Section 382.652(2); and

(4)  determine whether a minimum distance of more than 10 miles between a facility described by Section 382.652(2) and a semiconductor wafer manufacturing facility is necessary to prevent seismic or vibrational disruption to the operation of the semiconductor wafer manufacturing facility.

(b)  In conducting the study under this section, the bureau may:

(1)  collaborate with:

(A)  the commission and any other state agency, political subdivision, or institution of higher education; and

(B)  any other stakeholder or private entity as necessary; and

(2)  enter into a nondisclosure agreement with a private entity.

(c)  In addition to money appropriated by the legislature to the bureau for the purpose of this section, the bureau may accept gifts, grants, and other donations for the purposes of conducting the study under this section.

(d)  Not later than March 31, 2026, the bureau shall prepare and submit to the governor, the lieutenant governor, the speaker of the house of representatives, and each standing legislative committee with primary jurisdiction over the environment or natural resources a report on the results of the study conducted under this section and any recommendations for legislative or other action.

Sec. 382.654.  CEMENT PRODUCTION OPERATIONS WITHIN STUDY AREA. The commission may not issue, renew, or amend a permit or authorize the use of a standard permit under this chapter for the construction or operation of a facility described by Section 382.652(2) within 10 miles of a facility described by Section 382.652(1) in Grayson County.

Sec. 382.655.  EXPIRATION. This subchapter expires September 1, 2031.

SECTION 2.  Section 382.602, Health and Safety Code, as added by this Act, applies only to a cause of action that accrues on or after the effective date of this Act. A cause of action that accrues before the effective date of this Act is governed by the law applicable to the cause of action immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 3.  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, 2025.