

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

1 operator of a facility operating under a new source review permit
2 issued under this chapter that authorizes the operation of a
3 portland cement kiln is not liable for damages to a semiconductor
4 wafer manufacturing facility resulting from seismic or vibrational
5 disturbances caused by the cement facility owner or operator's
6 activities on the site of the cement facility if the cement facility
7 began operating before the date the semiconductor wafer
8 manufacturing facility began operating.

9 SUBCHAPTER M-1. CEMENT PRODUCTION AND SEMICONDUCTOR WAFER

10 MANUFACTURING FACILITY PILOT PROGRAM: GRAYSON COUNTY

11 Sec. 382.651. DEFINITIONS. In this subchapter:

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

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

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

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

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

24 (1) a semiconductor wafer manufacturing facility that
25 begins operation after January 1, 2025, and before December 31,
26 2025; and

27 (2) a facility that:

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

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

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

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

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

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

17 (4) determine whether a minimum distance of more than
18 10 miles between a facility described by Section 382.652(2) and a
19 semiconductor wafer manufacturing facility is necessary to prevent
20 seismic or vibrational disruption to the operation of the
21 semiconductor wafer manufacturing facility.

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

24 (1) collaborate with:

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

27 (B) any other stakeholder or private entity as

1 necessary; and

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

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

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

14 Sec. 382.654. CEMENT PRODUCTION OPERATIONS WITHIN STUDY
15 AREA. The commission may not issue, renew, or amend a permit or
16 authorize the use of a standard permit under this chapter for the
17 construction or operation of a facility described by Section
18 382.652(2) within 10 miles of a facility described by Section
19 382.652(1) in Grayson County.

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

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

1 purpose.

2 SECTION 3. This Act takes effect immediately if it receives
3 a vote of two-thirds of all the members elected to each house, as
4 provided by Section 39, Article III, Texas Constitution. If this
5 Act does not receive the vote necessary for immediate effect, this
6 Act takes effect September 1, 2025.