

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

7 SUBCHAPTER M. CEMENT OR AGGREGATE PRODUCTION AND SEMICONDUCTOR
8 WAFER MANUFACTURING FACILITY

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

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

20 (B) wafer slicing;

22 (D) bonding;

23 (E) cleaning;

24 (F) epitaxial deposition; or

1 (G) metrology.

2 Sec. 382.602. LIMITATION OF LIABILITY. An owner or
3 operator of a facility operating under a new source review permit
4 issued under this chapter that authorizes the operation of a
5 portland cement kiln, or the production of aggregates at an
6 aggregate production operation, is not liable for damages to a
7 semiconductor wafer manufacturing facility resulting from seismic
8 or vibrational disturbances caused by the cement or aggregate
9 production facility owner's or operator's activities on the site of
10 the cement or aggregate production facility if the cement or
11 aggregate production facility began operating before the date the
12 semiconductor wafer manufacturing facility began operating.

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

15 Sec. 382.651. DEFINITIONS. In this subchapter:

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

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

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

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

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

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

4 (2) a facility that:

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

8 (B) is associated with a facility that produces
9 aggregates at an aggregate production operation.

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

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

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

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

21 (4) investigate whether a minimum distance between a
22 facility described by Section 382.652(2) and a semiconductor wafer
23 manufacturing facility is necessary to prevent seismic or
24 vibrational disruption to the operation of the semiconductor wafer
25 manufacturing facility, considering the depth of the excavation
26 activities conducted for the production of aggregates.

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

1 may:

2 (1) collaborate with:

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

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

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

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

13 (d) Not later than August 1, 2026, the bureau shall prepare
14 and submit to the governor, the lieutenant governor, the speaker of
15 the house of representatives, and each standing legislative
16 committee with primary jurisdiction over the environment or natural
17 resources a report on the results of the study conducted under this
18 section and any recommendations for legislative or other action.

19 Sec. 382.654. OPERATIONS WITHIN STUDY AREA. The commission
20 may not issue, renew, or amend a permit or authorize the use of a
21 standard permit or a permit by rule under this chapter for the
22 construction or operation of a facility described by Section
23 382.652(2) within 10 miles of a facility described by Section
24 382.652(1) in Grayson County.

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

27 SECTION 2. If any provision of this Act or its application

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

5 SECTION 3. Section 382.602, Health and Safety Code, as
6 added by this Act, applies only to a cause of action that accrues on
7 or after the effective date of this Act. A cause of action that
8 accrues before the effective date of this Act is governed by the law
9 applicable to the cause of action immediately before the effective
10 date of this Act, and that law is continued in effect for that
11 purpose.

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

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 1758 passed the Senate on April 15, 2025, by the following vote: Yeas 23, Nays 7, one present not voting.

Secretary of the Senate

I hereby certify that S.B. No. 1758 passed the House on May 28, 2025, by the following vote: Yeas 115, Nays 24, three present not voting.

Chief Clerk of the House

Approved:

Date

Governor