The Texas Commission on Environmental Quality (TCEQ, agency, or commission) proposes an amendment to 30 Texas Administrative Code (TAC) §116.605.

If adopted, these amended rules would be submitted to the United States

Environmental Protection Agency (EPA) as a revision to the state implementation plan

(SIP).

Background and Summary of the Factual Basis for the Proposed Rules

Senate Bill (SB) 763 amends Texas Health and Safety Code (THSC), §382.05195, Standard Permit. The bill adds Subsection (e-1) requiring the TCEQ to conduct a protectiveness review at least once every eight years for a standard permit issued under this section that authorizes the operation of a permanent concrete batch plant (CBP) that performs wet batching, dry batching, or central mixing (Air Quality Standard Permit for Concrete Batch Plants (CBP SP)). If the standard permit is amended after a protectiveness review is conducted, TCEQ shall allow facilities authorized to operate under the standard permit as it read before being amended to continue to operate until a date provided by the commission that provides facility operators a reasonable amount of time to comply with the amended standard permit. The bill requires TCEQ to adopt rules necessary to implement these changes no later than March 1, 2026. SB 763 was signed by the Governor on June 20, 2025, and became effective on September 1, 2025.

SB 2351 amends THSC, §382.05195, Standard Permit, by adding Subsection (f-1) that

would apply only to a standard permit issued under this section that authorizes the operation of a permanent concrete batch plant that performs wet batching, dry batching, or central mixing (CBP SP). SB 2351 also amends THSC, §382.05198, Standard Permit for Certain Concrete Plants, by adding Subsection (d) that would apply only to a standard permit issued under that section (Air Quality Standard Permit for Concrete Batch Plants with Enhanced Controls (CBPEC SP)). New THSC, §382.05195, Subsection (f-1) and THSC, §382.05198, Subsection (d) establish that upon TCEQ amending these standard permits, TCEQ may require each facility operator authorized to begin construction of a facility under the former standard permit to update the facility's plans for the new construction in accordance with the amended standard permit if the facility operator did not begin construction before the adoption of the amended standard permit, and if the facility operator filed a request under commission rules for an extension to begin construction. SB 2351 was signed by the Governor on May 24, 2025, and became effective on May 24, 2025, after receiving a vote of two-thirds of all the members of each house.

Section by Section Discussion

To implement the requirements of SB 763 and SB 2351, 89th Regular Texas Legislature, 2025, the commission proposes to amend 30 TAC Chapter 116, Subchapter F (Standard Permits).

The proposed rulemaking would add 30 TAC §116.605(d)(4) requiring a protectiveness review to be conducted for the CBP SP at least once every eight years. The proposed

rulemaking would also add 30 TAC §116.605(f)(1) and (2) that would be applicable only when an amendment to the CBP SP or the CBPEC SP is issued by the commission. New 30 TAC §116.605(f)(1) and (2) would outline criteria of how the commission may require an operator of a permanent facility that is authorized to begin new construction under the former standard permit to update the permanent facility's plans for the new construction to comply with the amended standard permit if the facility operator did not begin the construction before the adoption of the amended standard permit and the operator filed a request for an extension to begin construction. These proposed requirements would not be applicable to temporary or specialty plants authorized under the CBP SP.

Fiscal Note: Costs to State and Local Government

Kyle Girten, Analyst in the Budget and Planning Division, has determined that for the first five-year period the proposed rule is in effect, no fiscal implications are anticipated for the agency or for other units of state or local government as a result of administration or enforcement of the proposed rule.

Public Benefits and Costs

Mr. Girten determined that for each year of the first five years the proposed rules are in effect, the public benefit will be compliance with state law, specifically, SB 763 and SB 2351 from the 89th Regular Legislative Session, 2025. The proposed rulemaking is not anticipated to result in fiscal implications for individuals or businesses during the first five-year period the proposed rule is in effect.

The commission reviewed this proposed rulemaking and determined that a Local Employment Impact Statement is not required because the proposed rulemaking does not adversely affect a local economy in a material way for the first five years that the proposed rule is in effect.

Rural Communities Impact Assessment

The commission reviewed this proposed rulemaking and determined that the proposed rulemaking does not adversely affect rural communities in a material way for the first five years that the proposed rules are in effect. The amendments would apply statewide and have the same effect in rural communities as in urban communities.

Small Business and Micro-Business Assessment

No adverse fiscal implications are anticipated for small or micro-businesses due to the implementation or administration of the proposed rule for the first five-year period the proposed rules are in effect.

Small Business Regulatory Flexibility Analysis

The commission reviewed this proposed rulemaking and determined that a Small Business Regulatory Flexibility Analysis is not required because the proposed rule does not adversely affect a small or micro-business in a material way for the first five years the proposed rules are in effect.

Government Growth Impact Statement

The commission prepared a Government Growth Impact Statement assessment for this proposed rulemaking. The proposed rulemaking does not create or eliminate a government program, and will not require an increase or decrease in future legislative appropriations to the agency. The proposed rulemaking does not require the creation of new employee positions, eliminate current employee positions, nor require an increase or decrease in fees paid to the agency. The proposed rulemaking amends an existing regulation, and it does not create, expand, repeal, or limit this regulation. The proposed rulemaking does not increase or decrease the number of individuals subject to its applicability. During the first five years, the proposed rule should not impact positively or negatively the state's economy.

Written comments concerning the cost, benefit, or effect of the proposed rule, including any applicable data, research, or analysis may be submitted to the contact person at the address listed under the Submittal of Comments section of this preamble.

Regulatory Impact Analysis Determination

The commission reviewed the proposed rulemaking considering the regulatory impact analysis requirements of Texas Government Code (TGC), §2001.0225, and determined that the proposed rulemaking does not meet the definition of a "Major environmental rule" as defined in that statute, and in addition, if it did meet the definition, would not

be subject to the requirement to prepare a regulatory impact analysis. A "Major environmental rule" means a rule, the specific intent of which is to protect the environment or reduce risks to human health from environmental exposure, and that may adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, or the public health and safety of the state or a sector of the state. Additionally, the proposed rulemaking does not meet any of the four applicability criteria for requiring a regulatory impact analysis for a major environmental rule, which are listed in TGC, §2001.0225(a). TGC, §2001.0225 applies only to a major environmental rule, the result of which is to: 1) exceed a standard set by federal law, unless the rule is specifically required by state law; 2) exceed an express requirement of state law, unless the rule is specifically required by federal law; 3) exceed a requirement of a delegation agreement or contract between the state and an agency or representative of the federal government to implement a state and federal program; or 4) adopt a rule solely under the general powers of the agency instead of under a specific state law.

The proposed rulemaking's purpose is to amend 30 TAC §116.605(d)(4) requiring a protectiveness review to be conducted for the concrete batch plant standard permit at least once every eight years. The proposed rulemaking would also add 30 TAC §116.605(f)(1) and (2) that would outline criteria of how the commission may require an operator of a permanent facility that is authorized to begin new construction under the former standard permit to update the permanent facility's plans for the new construction to comply with the amended standard permit. The new requirements are

required under statutory amendments to THSC, §382.05195.

As defined in the Texas Government Code, TGC, §2001.0225 only applies to a major environmental rule, the result of which is to: exceed a standard set by federal law, unless the rule is specifically required by state law; exceed an express requirement of state law, unless the rule is specifically required by federal law; exceed a requirement of a delegation agreement or contract between the state and an agency or representative of the federal government to implement a state and federal program; or adopt a rule solely under the general authority of the commission. The proposed amendments to 30 TAC §116.605 do not exceed an express requirement of state law or a requirement of a delegation agreement and were not developed solely under the general powers of the agency but are authorized by specific sections of the Texas Government Code and the Texas Water Code that are cited in the Statutory Authority section of this preamble. The proposed rule implements Senate Bills 763 and 2351, 89th Regular Legislature, 2025, which require changes relating to how the agency evaluates standard permits and thus is a specific requirement under state statute. Therefore, this rulemaking is not subject to the regulatory analysis provisions of TGC, §2001.0225(b).

The commission invites public comment regarding the Draft Regulatory Impact
Analysis during the public comment period. Written comments on the Draft Regulatory
Impact Analysis may be submitted to the contact person at the address listed under
the Submittal of Comments section of this preamble.

Takings Impact Assessment

Under TGC, §2007.002(5), taking means a governmental action that affects private real property, in whole or in part or temporarily or permanently, in a manner that requires the governmental entity to compensate the private real property owner as provided by the Fifth and Fourteenth Amendments to the United States Constitution or §17 or §19, Article I, Texas Constitution; or a governmental action that (i) affects an owner's private real property that is the subject of the governmental action, in whole or in part or temporarily or permanently, in a manner that restricts or limits the owner's right to the property that would otherwise exist in the absence of the governmental action; and (ii) is the producing cause of a reduction of at least 25 percent in the market value of the affected private real property, determined by comparing the market value of the property as if the governmental action is not in effect and the market value of the property determined as if the governmental action is in effect.

The proposed amendments are procedural in nature and would not burden private real property. The proposed amendments do not affect private property in a manner that restricts or limits an owner's right to the property that would otherwise exist in the absence of a governmental action. Consequently, this rulemaking action does not meet the definition of a taking under TGC, §2007.002(5). The proposed amendments do not directly prevent a nuisance or prevent an immediate threat to life or property. Therefore, this rulemaking action would not constitute a taking under TGC, Chapter 2007.

Consistency with the Coastal Management Program

The commission reviewed the proposed rulemaking and found that the proposal is subject to the Texas Coastal Management Program (CMP) in accordance with the Coastal Coordination Act, Texas Natural Resources Code, §§33.201 et seq., and therefore must be consistent with all applicable CMP goals and policies. The commission conducted a consistency determination for the proposed rules in accordance with Coastal Coordination Act implementation rules, 31 TAC §29.22, and found the proposed rulemaking is consistent with the applicable CMP goals and policies.

The CMP goal applicable to this proposed rulemaking is the goal to protect, preserve, restore, and enhance the diversity, quality, quantity, functions, and values of coastal natural resource areas (31 TAC §26.12(l)). The proposed amendments to Chapter 116 would update TCEQ rules to implement the requirement that a protectiveness review be conducted for the CBP SP at least once every eight years and incorporate requirements for when an operator of a facility authorized under the CBP SP or CBPEC SP must comply with the amended standard permit. The CMP policy applicable to the proposed rulemaking is that commission rules comply with federal regulations in Title 40 of the Code of Federal Regulations (40 CFR) to protect and enhance air quality in the coastal areas (31 TAC §26.32). This rulemaking complies with 40 CFR Part 51, Requirements for Preparation, Adoption, and Submittal of Implementation Plans.

Therefore, in accordance with 31 TAC §29.22(e), the commission affirms that this

rulemaking is consistent with CMP goals and policies.

Promulgation and enforcement of these rules will not violate or exceed any standards identified in the applicable CMP goals and policies because the proposed rules are consistent with these CMP goals and policies and because these rules do not create or have a direct or significant adverse effect on any coastal natural resource areas.

Written comments on the consistency of this rulemaking may be submitted to the contact person at the address listed under the Submittal of Comments section of this preamble.

Effect on Sites Subject to the Federal Operating Permits Program

The proposed amendments are not expected to have a significant impact on sites subject to the Federal Operating Permits Program. Facilities that operate under a registered standard permit and have a Site Operating Permit (SOP) should evaluate the revised applicable requirements of 30 TAC §116.615 to determine if an update to their SOP is necessary.

Announcement of Hearing

The commission will hold a hybrid virtual and in-person public hearing on this proposal in Austin on Thursday, November 20, 2025, at 2:00 PM in Building E, Room 201S, at the commission's central office located at 12100 Park 35 Circle. The hearing is structured for the receipt of oral or written comments by interested persons.

Individuals may present oral statements when called upon in order of registration.

Open discussion will not be permitted during the hearing; however, commission staff

members will be available to discuss the proposal 30 minutes prior to the hearing at

1:30 p.m..

Individuals who plan to attend the hearing virtually and want to provide oral

comments and/or want their attendance on record must register by Tuesday,

November 18, 2025. To register for the hearing, please email Rules@tceq.texas.gov and

provide the following information: your name, your affiliation, your email address,

your phone number, and whether or not you plan to provide oral comments during the

hearing. Instructions for participating in the hearing will be sent on Wednesday,

November 19, 2025, to those who register for the hearing.

Members of the public who do not wish to provide oral comments but would like to

view the hearing may do so at no cost at:

https://events.teams.microsoft.com/event/18d7b168-6cfa-4d0a-afb1-

8d87db8289d2@871a83a4-a1ce-4b7a-8156-3bcd93a08fba

Persons who have special communication or other accommodation needs who are

planning to attend the hearing should contact Sandy Wong, Office of Legal Services at

(512) 239-1802 or 1-800-RELAY-TX (TDD). Requests should be made as far in advance

as possible.

Submittal of Comments

Written comments may be submitted to Gwen Ricco, MC 205, Office of Legal Services, Texas Commission on Environmental Quality, P.O. Box 13087, Austin, Texas 78711-3087, or faxed to <code>fax4808@tceq.texas.gov</code>. Electronic comments may be submitted at: <code>https://tceq.commentinput.com/comment/search</code>. File size restrictions may apply to comments being submitted via the TCEQ Public Comments system. All comments should reference Rule Project Number 2025-032-116-AI. The comment period closes at midnight on November 25, 2025. Copies of the proposed rulemaking can be obtained from the commission's website at

<u>https://www.tceq.texas.gov/rules/propose_adopt.html</u>. For further information, please contact David Munzenmaier, Air Permits Division, (512) 239-6092.

SUCHAPTER F: STANDARD PERMITS §116.605

Statutory Authority

The amendments are proposed under Texas Water Code (TWC), §5.013, concerning General Jurisdiction of Commission, which establishes the general jurisdiction of the commission; TWC, §5.102, concerning General Powers, which provides the commission with the general powers to carry out its duties under the TWC; TWC, §5.103, concerning Rules, which authorizes the commission to adopt rules necessary to carry out its powers and duties under the TWC; and TWC, §5.105, concerning General Policy, which authorizes the commission by rule to establish and approve all general policy of the commission. The amendments are also proposed under THSC, §382.002, concerning Policy and Purpose, which establishes the commission's purpose to safeguard the state's air resources, consistent with the protection of public health, general welfare, and physical property; THSC, §382.011, concerning General Powers and Duties, which authorizes the commission to control the quality of the state's air; THSC, §382.012, concerning State Air Control Plan, which authorizes the commission to prepare and develop a general, comprehensive plan for the proper control of the state's air; THSC, §382.017, concerning Rules, which authorizes the commission to adopt rules consistent with the policy and purposes of the Texas Clean Air Act; and THSC §382.05195, concerning standard permits. In addition, the amendments are proposed under TGC, §2001.004, concerning Requirement to Adopt Rules of Practice and Index Rules, Orders, and Decisions, which requires state agencies to adopt

procedural rules; TGC, §2001.006, concerning Actions Preparatory to Implementation of Statute or Rule, which authorizes state agencies to adopt rules or take other administrative action that the agency deems necessary to implement legislation; TGC, §2001.142, concerning Notification of Decisions and Orders, which provides a time period for presumed notification by a state agency; and the Federal Clean Air Act, 42 United States Code (USC), §§7401, et seq., which requires states to submit state implementation plan revisions that specify the manner in which the national ambient air quality standards will be achieved and maintained within each air quality control region of the state. The proposed amendments implement Senate Bills 763 and 2351, 89 Regular Legislature, 2025, which require changes relating to how the agency evaluates standard permits.

The proposed amendments implement changes to THSC, §382.05195.

§116.605. Standard Permit Amendment and Revocation.

- (a) A standard permit remains in effect until amended or revoked by the commission.
- (b) After notice and comment as provided by subsection (c) of this section and §116.603(b)-(f) of this title (relating to Public Participation in Issuance of Standard Permits), a standard permit may be amended or revoked by the commission.

- (c) The commission will publish notice of its intent to amend or revoke a standard permit in a daily or weekly newspaper of general circulation in the area affected by the activity that is the subject of the standard permit. If the standard permit has statewide applicability, then the requirement for newspaper notice shall be accomplished by publishing notice in the daily newspaper of largest general circulation within each of the following major metropolitan areas: Austin, Dallas, and Houston. The commission will also provide written notice to registrants and any persons requesting to be on a mailing list concerning a specific standard permit. In both cases, the commission will publish notice in the *Texas Register*.
- (d) The commission may, through amendment of a standard permit, add or delete requirements or limitations to the permit.
- (1) To remain authorized under the standard permit, a facility shall comply with an amendment to the standard permit on the later of either the deadline the commission provides in the amendment or the date the facility's registration to use the standard permit is required to be renewed. The commission may not require compliance with an amended standard permit within 24 months of its amendment unless it is necessary to protect public health.
- (2) Before the date the facility is required to comply with the amendment, the standard permit, as it read before the amendment, applies to the facility.

- (3) The commission will consider the following when determining whether to amend or revoke a standard permit:
 - (A) whether a condition of air pollution exists;
- (B) the applicability of other state or federal standards that apply or will apply to the types of facilities covered by the standard permit;
- (C) requests from the regulated community or the public to amend or revoke a standard permit consistent with the requirements of the TCAA; and
- (D) whether the standard permit requires best available control technology.
- (4) The commission shall conduct a protectiveness review at least once every eight years in accordance with THSC, §382.05195(e-1) to determine whether to amend the standard permit issued under THSC, §382.05195 regarding the operation of a permanent concrete batch plant that performs wet batching, dry batching, or central mixing.
- (e) The commission may require, upon issuance of an amended standard permit, or on a date otherwise provided, the owner or operator of a facility to submit a

registration to use the amended standard permit in accordance with the requirements of §116.611 of this title (relating to Registration to Use a Standard Permit).

(f) When standard permits issued under THSC, §§382.05195 and 382.05198 are amended, the commission may require each facility operator authorized to begin new construction of permanent concrete batch plants that perform wet batching, dry batching or central mixing under the former standard permit to update the facility's plan for the new construction in accordance with the amended standard permit that:

(1) did not begin construction before the adoption of the amended standard permit; and

(2) the facility operator filed a request under §116.120 of this title, (relating to Voiding of Permits) for an extension to begin construction before the effective date of the amended standard permit.

(g) [f] If the commission revokes a standard permit, it will provide written notice to affected registrants prior to the revocation of the standard permit. The notice will advise registrants that they must apply for a permit under this chapter or qualify for an authorization under Chapter 106 of this title (relating to Exemptions from Permitting).

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(h) [g] The issuance, amendment, or revocation of a standard permit or the issuance, renewal, or revocation of a registration to use a standard permit is not subject to Texas Government Code, Chapter 2001.