

Texas Legislative Update: Fireside Chat

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89TH LEGISLATIVE SESSION BY THE NUMBERS

- 140 days every odd numbered year
- ~ 9,200 pieces of legislation filed (highest since 1991)
- ~ 1,300 pieces of legislation passed both chambers (~14% pass rate)
- Sine die June 2, 2025
- TCC tracked ~1,800 pieces of legislation

89TH LEGISLATIVE SESSION – KEY ENV. BILLS THAT PASSED

- HB 4413 – Requires TCEQ to recognize third-party mass balance attribution for “renewable chemicals.”
- SB 2321 – Provides TCEQ with enforcement discretion for unauthorized emission from electric generation facilities, and on-site back up facilities during a period when the grid needs power.
- *SB 1302 – Prohibits TCEQ from automatically granting a general discharge permit to entities that had previously had a permit suspended or denied.
- SB 1663 – Requires TCEQ to notify all residents within one-mile radius of a site and groundwater conservation district when it obtains information about groundwater contamination.
- HB 1238 – Allows TCEQ to accept inspection reports prepared by licensed engineer or geoscientist for a Class I injection well in lieu of a TCEQ site inspection.
- *HB 3866 – Authorizes TCEQ to regulate intermediate bulk container recycling facilities, prohibits applicable facilities from operating within 2,000 feet of residence, and requires registration of facility and operator to pay fee.

89TH LEGISLATIVE SESSION – KEY ENV. BILLS THAT FAILED

- PFAS
 - Regulation of AFFF with industry-supported definition of PFAS
 - Biosolids prohibition
 - Study bill on health effects of PFAS in variety of settings, including equipment/materials used by industry
- Permitting
 - Certify discovery dispute at SOAH back to TCEQ
 - Scoring system for permit applications based on public engagement and prohibiting TCEQ from issuing permits
 - Formation of an Environmental Justice Advisory Council
- Enforcement
 - Allowing local government enforcement immediately
 - Prohibition of public nuisance claims for an activity that is authorized/permitted
 - Creation of special environmental remediation fund for local projects using civil penalties from State enforcement actions
 - Local government engagement in corrective action plan process after an excessive emissions event
- Preproduction Plastic Discharge
- Recycling
 - Texas Recycling Market Development Program
 - Texas Beverage Container Recycling Consortium
- Air
 - Cumulative impacts analysis
 - H₂S concentration limits
 - Additional VOC controls and monitoring requirements for “chemical distribution facilities”
 - Prohibit GHG emissions tracking and reporting
 - Changes to standard air permits
- Water
 - Seawater desalination studies and restrictions
 - Report underutilized water rights for potential cancellation/exemption
- Texas Emissions Reduction Plan

PREPARING FOR 90TH LEGISLATIVE SESSION

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- Key Dates:
 - November 9, 2026 – bill filing begins
 - January 12, 2027 – Session begins
 - March 12, 2027 – bill filing deadline
 - May 31, 2027 – sine die
 - Key Topics:
 - Refiled legislation of failed bills
 - TCEQ Exceptional Items Request – ASVS Funding
 - PFAS – monitoring, new limits, studies
 - Evolution of MAHA in Texas – chemical exposure considerations?
 - Preproduction Plastic
 - Microplastics
 - TERP
 - TREO recommendations?

KEY COMMITTEE ASSIGNMENTS



- Lt. Governor Announced Committee Assignments on March 23, 2026 for 90th Session
 - New Chair for Senate Committee on Natural Resources – Kevin Sparks (R-Midland)
 - Returning Chair for Senate Committee on Water, Agriculture, & Rural Affairs – Charles Perry (R-Lubbock)
 - Returning Chair for Senate Committee on State Affairs – Bryan Hughes (R-Tyler)
 - Returning Chair for Senate Business & Commerce – Charles Schwertner (R-Georgetown)
 - Returning Chair for Senate Sunset Advisory Commission – Lois Kolkhorst (R-Brenham)
- No House Announcements Until Session
 - New Chair for Committee on Delivery of Government Efficiency

NOTABLE HOUSE INTERIM CHARGES

- Delivery of Government Efficiency
 - Monitor the implementation of SB 14 (TREO).
- Energy Resources
 - Recommendations to encourage greater utilization of produced water as a resource.
 - Review recommendations made by Texas Hydrogen Production Policy Council.
 - Evaluate viability of commercial Carbon Capture, Utilization, and Storage (CCUS) and related issues of pore space ownership, liability, and environmental protections.
- Environmental Regulation
 - Monitor the implementation of HB 4413 (mass balance for renewable biomass), SB 2037 (permit application review for LNG projects)
 - Make recommendations to improve regulatory processes, interagency coordination, and provide greater predictability for regulated entities.
- Natural Resources
 - Make recommendations to ensure groundwater management is properly focused on long-term viability of the state's aquifers (several subcategories).
 - Monitor status of brackish groundwater production zone designated by TWDB.
 - Consider policy options to optimize water resources and enhance water stewardship in the data center sector.

NOTABLE SENATE INTERIM CHARGES

- Natural Resources
 - Recommendations to strengthen state oversight over wind/solar facility decommissioning
- Water, Agriculture, and Rural Affairs
 - Recommendations to improve transparency for local water providers and ensure industrial growth does not compromise affordability
 - Recommendations to streamline regulatory process for desalination in high-feasibility regions

- Created in 89th Session as an office within the Governor's Office – product of TX DOGE
- Advisory panel assists TREO in activities
- Purpose & Powers
 - Charged with finding efficiencies in rulemaking process, regulatory review, and contested case process
 - Solicit feedback from public on rules to consider
 - Identify unnecessary/ineffective rules for removal
 - Calculate the costs of rules
 - Improve public access to information within state agencies
- Prepare and publish a Regulatory Economic Analysis Manual, Regulatory Reduction Guide, Biennial Report for Legislature

TEXAS REGULATORY EFFICIENCY OFFICE (TREO)

BEST PRACTICES

- Engage/coordinate with internal government affairs managers
- Identify subject matter experts at facilities for practical considerations
- Review frequently re-filed legislation to recall key positions or potential changes
- Prepare to respond quickly during session

OPEN
DISCUSSION/
QUESTIONS?

