

Amend CSSB 7 (house committee report) as follows:

(1) On page 3 of the bill, between lines 6 and 7, insert the following:

Sec. 6.305. PAYMENT OF EXPENSES FROM TEXAS WATER FUND ADMINISTRATIVE FUND. Pursuant to Section 15.504(f), the board shall pay from the Texas water fund administrative fund established under Section 15.508:

(1) the necessary and reasonable administrative expenses, including staffing expenses, incurred in administering its responsibilities under this subchapter; and

(2) the necessary and reasonable expenses for the procurement of professional and consulting services under Section 6.303.

(2) On page 5, line 16, strike "(4-a)" and substitute the following:

(4-a) the Texas water fund administrative fund established under Section 15.508;

(4-b)

(3) On page 8, strike lines 12 through 17 and substitute the following:

(f) In each state fiscal year, the [The] board may transfer not more than two percent of the money deposited to the credit of the fund in that state fiscal year to the Texas water fund administrative fund established under Section 15.508 [use the fund] to pay or reimburse the board for the necessary and reasonable expenses of the board in administering the fund as provided by Section 15.508(c) [not to exceed two percent].

(4) On page 9, between lines 12 and 13, insert the following:

(c) Pursuant to Section 15.504(f), the board may pay from the Texas water fund administrative fund necessary and reasonable expenses of the board in administering the Texas water fund, including:

(1) staffing expenses incurred in administering its responsibilities for providing grants, loans, financial assistance, and technical assistance and procuring professional and consulting services through and for all funds eligible to

receive transfers from the Texas water fund;

(2) carrying out responsibilities under Subchapter H, Chapter 6; and

(3) any purposes for which money is appropriated by the legislature from the Texas water fund administrative fund related to the Texas water fund and all funds eligible to receive transfers from the Texas water fund.

(5) In ARTICLE 1 of the bill, add the following appropriately numbered SECTIONS to the ARTICLE and renumber subsequent SECTIONS of the ARTICLE and cross-references to those SECTIONS accordingly:

SECTION 1.\_\_\_\_. Effective September 1, 2027, Section 15.153, Water Code, is amended by adding Subsection (f) to read as follows:

(f) For purposes of Section 7-e(c), Article VIII, Texas Constitution, groundwater is considered brackish if, at the time of production from a well, the groundwater had a total dissolved solids concentration of not less than 3,000 milligrams per liter.

SECTION 1.\_\_\_\_. Section 15.505, Water Code, is amended to read as follows:

Sec. 15.505. TRANSFER OF MONEY. (a) Notwithstanding any other law:

(1) the board may~~+~~

~~[(A)] transfer money from the fund into any other fund or account described by Section 15.502(b); and~~

~~[(B) restore to the fund money transferred from the fund and deposited to the credit of a fund or account described by Section 15.502(b); and]~~

(2) a fund or account described by Section 15.502(b) may accept a transfer of money made under this subchapter.

(b) The board may not restore to the fund money transferred from the fund and deposited to the credit of a fund or account described by Section 15.502(b).

SECTION 1.\_\_\_\_. Effective September 1, 2027, Section 15.505, Water Code, is amended by adding Subsections (c) and (d) to read as follows:

(c) Of the amount of money deposited to the credit of the Texas water fund under Section 7-e, Article VIII, Texas

Constitution, before September 1, 2047, the administrator of the fund shall allocate not less than 50 percent to be used only for transfer to either or both of the following funds:

(1) the new water supply for Texas fund established under Subchapter C-1; or

(2) the state water implementation fund for Texas established under Subchapter G.

(d) This subsection and Subsection (c) expire August 31, 2047.

SECTION 1.\_\_\_\_. Subchapter B, Chapter 16, Water Code, is amended by adding Section 16.0123 to read as follows:

Sec. 16.0123. INTERIM STUDY OF INCORPORATION OF WASTEWATER PLANNING INTO STATE WATER PLANNING PROCESS. (a) Using existing resources, the executive administrator shall conduct a study to determine:

(1) the feasibility and practicability of incorporating planning for the development of infrastructure to meet the state's current and future wastewater treatment needs into the process used to produce each state water plan under Section 16.051, beginning with the five-year state water planning period ending January 5, 2032; and

(2) the statutory changes necessary to facilitate the incorporation of the wastewater treatment planning described by Subdivision (1) into the process used to produce each state water plan under Section 16.051, beginning with the five-year state water planning period ending January 5, 2032.

(b) Not later than December 1, 2026, the executive administrator shall provide a report of the study's findings to:

(1) the governor;

(2) the lieutenant governor;

(3) the speaker of the house of representatives;

(4) each member of the Texas Water Fund Advisory Committee established under Section 15.009; and

(5) each member of the standing committees of the senate and the house of representatives having primary jurisdiction over water resources.

(c) This section expires May 31, 2027.

(6) On page 20, line 15, strike "January 1, 2026" and substitute "September 1, 2027".

(7) In SECTION 4.01 of the bill, immediately following Subsection (b) of the SECTION (page 20, immediately following line 19), add the following appropriately lettered subsection:

(\_\_\_\_) The sections of this Act adding Sections 15.153(f) and 15.505(c) and (d), Water Code, take effect September 1, 2027, but only if the constitutional amendment proposed by **HJR 7**, 89th Legislature, Regular Session, 2025, is approved by the voters. If that amendment is not approved by the voters, those sections of this Act have no effect.