

## **RESOLUTION ANALYSIS**

H.J.R. 7  
By: Harris  
Natural Resources  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

In 2023, the 88th Texas Legislature took a significant step towards securing water access and fueling job creation and economic expansion across the state by creating the Texas Water Fund through a constitutional amendment, which, according to the Texas Legislative Council's *Amendments to the Texas Constitution Since 1876* publication, was approved by voters with 77.7 percent support. Water infrastructure investments can support Texas businesses, agriculture, and communities that depend on reliable water infrastructure for daily operations and long-term sustainability. According to a report from the Center for Energy Studies at Rice University's Baker Institute commissioned by Texas 2036, Texas will need to invest at least \$154 billion in water infrastructure over the next 50 years, but the state's current projected financial assistance effort for water infrastructure falls beneath this amount by about \$112 billion. Notably, per Texas 2036, 85 percent of Texas voters support a long-term state funding strategy for water infrastructure. H.J.R. 7 seeks to secure a long-term funding source for the state's critical water infrastructure needs by ensuring that the Texas Water Fund receives constitutionally dedicated revenue.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this resolution does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this resolution does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

H.J.R. 7 proposes an amendment to the Texas Constitution to require the comptroller of public accounts, in each state fiscal year and subject to constitutional provisions relating to the appropriation and allocation of revenue from the state sales and use tax on sporting goods, to deposit to the credit of the Texas Water Fund the net revenue derived from the imposition of the state sales and use tax on the sale, storage, use, or other consumption in Texas of taxable items under applicable state law that exceeds the first \$48 billion of that revenue coming into the treasury in that state fiscal year, provided that the total amount so deposited in a state fiscal year may not exceed \$1 billion.

H.J.R. 7 authorizes the legislature, by adoption of a concurrent resolution approved by a record vote of two-thirds of the members of each house of the legislature, to direct the comptroller to increase or reduce the amount of money deposited to the credit of the Texas Water Fund under the resolution's provisions. The comptroller may be directed to make the increase or reduction only:

- in the state fiscal year in which the resolution is adopted, or in either of the following two state fiscal years; and
- by an amount or percentage that does not result in:
  - an increase of more than 100 percent of the amount that would otherwise be deposited to the fund in the affected state fiscal year under the resolution's provisions; or
  - a reduction of more than 50 percent of the amount that would otherwise be deposited to the fund in the affected state fiscal year under the resolution's provisions.

H.J.R. 7 sets the comptroller's duty to make a deposit under these provisions to expire August 31, 2035, but the legislature by adoption of a concurrent resolution approved by a record vote of a majority of the members of each house of the legislature may extend that duty beyond the applicable expiration date in 10-year increments. The resolution's provisions take effect September 1, 2026.

### **ELECTION DATE**

The constitutional amendment proposed by this joint resolution will be submitted to the voters at an election to be held November 4, 2025.