

BILL ANALYSIS

Senate Research Center

S.B. 863
By: Perry
Water, Agriculture and Rural Affairs
7/25/2025
Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In 1993, the 73rd Legislature enacted S.B. 1477 creating the Edwards Aquifer Authority (EAA) to, in relevant part, regulate groundwater withdrawals from the environmentally sensitive Edwards Aquifer. Among the restrictions placed on the use of Edwards Aquifer water was a general prohibition against use of water withdrawn from the aquifer outside the EAA's jurisdiction.

Certain utilities straddle the edge of the EAA's jurisdiction, serving territory both within and just outside of the EAA. These utilities serve certificated areas instituted by certificates of convenience and necessity authorized under state law prior to the creation of the EAA, and have historically used water withdrawn from Edwards Aquifer wells within the parts of their certificated areas located outside the EAA's boundary.

Generally speaking, these utilities do not have the technical capability or resources to easily separate water withdrawn from within EAA jurisdiction from the portions of their systems located outside the EAA without significantly raising rates. The subdivision of their certificated areas by the EAA boundary, and the undue burden that came with it, was essentially a legislative oversight that has resulted in these utilities inadvertently violating state law for over three decades.

S.B. 863 resolves the oversight by authorizing the affected utilities to use Edwards Aquifer water within their certificated areas—including the territory outside EAA jurisdiction—as those areas currently exist, provided any part of the certificated area was located within EAA jurisdiction on the day the EAA became operational: June 28, 1996.

(Original Author's/Sponsor's Statement of Intent)

S.B. 863 amends current law relating to water withdrawn from the Edwards Aquifer and to the use of certain reclaimed water in an aquifer storage and recovery project.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Commission on Environmental Quality in SECTION 2 (Section 27.153, Water Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 1.34(b), Chapter 626, Acts of the 73rd Legislature, Regular Session, 1993, as follows:

(b) Prohibits water withdrawn from the Edwards Aquifer (aquifer) from being transported outside the boundaries of the Edwards Aquifer Authority via pipeline or other means for any purpose. Requires that water withdrawn from the aquifer be used within certain areas, including the certificated area of a retail public utility according to a certificate of convenience and necessity, as the certificate existed on September 1, 2025, any part of which was located within the boundaries of the authority on June 28, 1996. Makes nonsubstantive changes.

SECTION 2. Amends Section 27.153, Water Code, by adding Subsection (b-1) to authorize the Texas Commission on Environmental Quality (TCEQ), notwithstanding Subsection (b)(1) (relating to requiring TCEQ to consider whether the injection of water will comply with the standards set forth under the federal Safe Drinking Water Act), by rule or by individual or general permit to authorize the injection of reclaimed water that is treated in accordance with standards adopted by TCEQ for that purpose.

SECTION 3. Effective date: September 1, 2025.