

## **BILL ANALYSIS**

Senate Research Center

S.B. 1145  
By: Birdwell; Sparks  
Natural Resources  
6/5/2025  
Enrolled

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The Texas Commission on Environmental Quality (TCEQ) currently regulates the National Pollutant Discharge Elimination System (NPDES), which is a federally delegated program to control discharges of pollutants to surface waters, including treated produced water in the oil and gas space. Produced water is wastewater generated during oil and gas extraction. In Texas, an average of seven barrels of produced water is produced for every barrel of oil. However, technologies have been developing to effectively treat produced water for beneficial reuse.

Although TCEQ has regulatory authority for the discharge of treated produced water into surface waters, the Railroad Commission of Texas (RRC) currently has administrative authority for land application permits for produced water. S.B. 1145 transfers permitting authority from RRC to TCEQ, consolidating permitting for both the discharge of treated produced water to surface waters and land application. This will create regulatory certainty within the industry, and would put the authority under an agency that has more experience in land application permits, including an existing program known as Texas Land Application Permits (TLAPs). Importantly, the usage of treated produced water must meet water quality standards established by TCEQ.

S.B. 1145 amends current law relating to the authority of the Texas Commission on Environmental Quality to issue permits for the land application of water produced from certain mining and oil and gas extraction operations.

[**Note:** While the statutory reference in this bill is to the Texas Natural Resource Conservation Commission (TNRCC), the following amendments affect the Texas Commission on Environmental Quality (TCEQ) as the successor agency to TNRCC.]

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 26.131, Water Code, as effective until delegation of authority under the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901 et seq.) to the Railroad Commission of Texas, by amending Subsection (b) and adding Subsection (e), as follows:

(b) Creates an exception under Subsection (e).

(e) Authorizes the Texas Natural Resource Conservation Commission (TNRCC) to issue permits for the land application of produced water resulting from activities described by Subsection (a) (relating to the Railroad Commission of Texas (RRC) being solely responsible for the control and disposition of waste and the abatement and prevention of pollution of surface and subsurface water resulting from certain activities) that has been treated for beneficial use. Requires TNRCC to adopt standards for the land application of water under Section 26.131 (Duties of Railroad Commission), including standards that prevent the pollution of surface and subsurface water.

SECTION 2. Amends Section 26.131, Water Code, as effective on delegation of authority under the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901 et seq.) to the Railroad Commission of Texas, by amending Subsection (b) and adding Subsection (d), as follows:

(b) Creates an exception under Subsection (d).

(d) Authorizes TNRCC to issue permits for the land application of produced water resulting from activities described by Subsection (a) that has been treated for beneficial use. Requires TNRCC to adopt standards for the land application of water under this section, including standards that prevent the pollution of surface and subsurface water.

SECTION 3. Makes application of this Act prospective.

SECTION 4. Effective date: September 1, 2025.