

BILL ANALYSIS

Senate Research Center

S.B. 1623
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Water, Agriculture and Rural Affairs
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas Water Trust was created to facilitate the voluntary dedication of water rights to support environmental and conservation efforts. Historically, the trust has primarily focused on surface water rights, which must undergo a review and approval process by the Texas Commission on Environmental Quality (TCEQ) in consultation with the Texas Water Development Board (TWDB) and the Texas Parks and Wildlife Department (TPWD). However, there has been no formal requirement for groundwater rights dedicated to the Trust to undergo a similar review and approval process, creating a regulatory gap.

Texas is increasingly reliant on groundwater resources, which provide more than 55 percent of the state's water supply. Given the critical role of groundwater in sustaining municipal, agricultural, and environmental water needs, ensuring proper regulatory oversight of groundwater dedications is essential for water conservation and long-term resource management. Without legislative action, the lack of a formal review process for groundwater dedications could lead to uncoordinated withdrawals, conflicting water use priorities, and unintended impacts on local water supplies.

S.B. 1623 would address this regulatory gap by requiring that all groundwater rights placed in the Texas Water Trust be reviewed and approved by TWDB. Additionally, the bill ensures that local groundwater conservation districts or authorities are involved in the review and acknowledgment process, preserving regional oversight and coordination.

As proposed, S.B. 1623 amends current law relating to the dedication of certain water rights to the Texas Water Trust.

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 15.7031(c), Water Code, as follows:

(c) Requires that the dedication of any surface water rights, rather than any water rights, placed in trust be reviewed and approved by the Texas Commission on Environmental Quality, in consultation with the Texas Water Development Board (TWDB) and the Texas Parks and Wildlife Department. Requires that the dedication of any groundwater rights placed in trust be reviewed and approved by TWDB and reviewed and acknowledged by any district or authority created under Section 52 (Restriction on Lending Credit or Making Grants by Political Corporations or Political Subdivisions; Authorized Bonds; Investment of Funds), Article III (Legislative Department), or Section 59 (Conservation and Development of Natural Resources; Development of Parks and Recreational Facilities; Conservation and Reclamation Districts; Indebtedness and Taxation Authorized), Article XVI (General Provisions), Texas Constitution, that has the authority to regulate the spacing of water wells, the production from water wells, or both in the aquifer, subdivision of an aquifer, or geologic stratum where the groundwater rights are located.

SECTION 2. Effective date: September 1, 2025.