

By: Perry

S.B. No. 1629

A BILL TO BE ENTITLED

AN ACT

relating to the administration by the Texas Water Development Board of the Texas Water Bank and certain funds and accounts.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 15.153(b), Water Code, is amended to read as follows:

(b) The fund may be used to:

(1) provide financial assistance to political subdivisions to develop water supply projects that create new water sources for the state, including:

(A) desalination projects, including marine and brackish water desalination;

(B) produced water treatment projects, other than projects that are only for purposes of oil and gas exploration;

(C) aquifer storage and recovery projects; ~~and~~

(D) reservoir projects for which:

(i) a permit for the discharge of dredged or fill material has been issued by the United States secretary of the army under Section 404, Federal Water Pollution Control Act (33 U.S.C. Section 1344); and

(ii) a permit for the storage, taking, or diversion of state water has been issued by the commission under Section 11.121; and

(E) the development of infrastructure to

transport or integrate into a water supply system water that is made available by a project described by this subdivision;

(2) make transfers from the fund:

(A) to the state water implementation fund for Texas established under Subchapter G or the Texas Water Development Fund II established under Subchapter L, Chapter 17; and

(B) for a purpose described by Subdivision (1);
~~and~~

(3) make transfers from the fund to the water bank account established under Section 15.707; and

(4) make transfers from the fund:

(A) to the Texas Water Development Fund II state participation account established under Section 17.957; and

(B) for a purpose described by Subdivision (1).

SECTION 2. Section 15.703(a), Water Code, is amended to read as follows:

(a) The board may take all actions necessary to operate the water bank and to facilitate the transfer of water rights from the water bank for future beneficial use, including but not limited to:

(1) negotiating a sale price and terms acceptable to the depositor and purchaser;

(2) maintaining a registry of water bank deposits and those water users in need of additional supplies;

(3) informing water users in need of additional supply of water rights available in the bank;

(4) encouraging water right holders to implement water conservation practices and deposit the right to use the conserved

1 water into the bank;

2 (5) establishing requirements for deposit of a water
3 right into the water bank, including minimum terms for deposit;

4 (6) purchasing, holding, and transferring water or
5 water rights in its own name, including purchasing, holding, and
6 transferring water or water rights originating outside this state
7 for the purpose of providing water for the use or benefit of this
8 state;

9 (7) establishing regional water banks;

10 (8) acting as a clearinghouse for water marketing
11 information including water availability, pricing of water
12 transactions, environmental considerations, and potential buyers
13 and sellers of water rights;

14 (9) preparing and publishing a manual on structuring
15 water transactions;

16 (10) accepting and holding donations of water rights
17 to meet instream, water quality, fish and wildlife habitat, or bay
18 and estuary inflow needs;

19 (11) entering into contracts with persons to pay for
20 feasibility studies or the preparation of plans and specifications
21 relating to water conservation efforts or to estimate the amount of
22 water that would be saved through conservation efforts; and

23 (12) other actions to facilitate water transactions.

24 SECTION 3. Section 16.131(a), Water Code, is amended to
25 read as follows:

26 (a) The board may use the state participation account of the
27 development fund to encourage optimum regional and interregional

1 development of projects, including the design, acquisition, lease,
2 construction, reconstruction, development, or enlargement in whole
3 or part of:

4 (1) reservoirs and storm water retention basins for
5 water supply, flood protection, and groundwater recharge;

6 (2) facilities for the transmission and treatment of
7 water;

8 (3) treatment works as defined by Section 17.001;
9 ~~and~~

10 (4) interregional water supply projects selected
11 under Section 16.145; and

12 (5) projects described by Section 15.153(b)(1).

13 SECTION 4. The following provisions of the Water Code are
14 repealed:

15 (1) Section 16.131(c); and

16 (2) Section 16.146(h).

17 SECTION 5. This Act takes effect September 1, 2025.