

FOR IMMEDIATE RELEASE Wednesday, February 26, 2025

Contact: Mattie Garland mattie.garland@senate.texas.gov

Ph: 512-463-0131

STATE SENATOR SPARKS FILES FIFTH 89th PRIORITY LEGISLATIVE PACKAGE ON WATER ACCESS & SUPPLY

[Austin, TX] – Senator Kevin Sparks (R-Midland) announced his fifth legislative priority package, focused on Texas' water access and supply. As the state's water sector faces growing challenges due to increasing demand and a rapidly evolving landscape, ensuring a stable and sustainable water supply is more important than ever. Senator Sparks' legislative package on water access and supply addresses issues such as improving water cybersecurity, providing clarity and consistency for rural applicants, and enhancing water resource management. Senator Sparks' 89th Legislative Priorities on 'Water Access & Supply' includes the following key pieces of legislation:

SB 7 (Perry): Securing Texas' Water Future: Dedicate significant financial resources towards water infrastructure and distribution.

SB 1034: Water Cybersecurity Measures for Retail Public Utilities: Extends cybersecurity services from the Department of Information Resources to retail public utilities offering water or sewer services.

SB 1301: Design Build Method: Removes the 100k population threshold, allowing smaller governmental entities to use this method.

SB 971: Rural Definition Cleanup: Amends the definition of "rural political subdivision" in § 15.001(14) that inaccurately describes certain municipalities as "rural political subdivisions."

"My legislative package focuses on proactively protecting water through improving water infrastructure cybersecurity, providing clarity and consistency for rural applicants across Texas Water Development programs, and enhancing the overall management of our water resources," stated Senator Sparks. "I am committed to strengthening our water infrastructure and guaranteeing consistent access for all residents of the state. By addressing these essential needs, we can protect Texans from future water shortages and secure long-term access to dependable water supplies, all while maintaining responsible stewardship of our water resources."

The following pages detail each bill regarding background, key provisions, and statements of supports.



SB 7 (Perry) – SECURING TEXAS' WATER FUTURE

DISTRICT 31

Background

Texas communities face increasing water shortages and aging infrastructure as rapid population growth strains local resources. During the 88th Regular Session, the Legislature passed SJR 75 and SB 28 (Perry – SD 28), creating the Texas Water Fund. This central fund supports several pre-existing program funds administered by the Texas Water Development Board, and the New Water Supply for Texas Fund. Senator Charles Perry introduces legislation that builds on the \$1 billion appropriation approved by voters in 2023 by dedicating a funding stream to help local utilities purchase more water and upgrade infrastructure, with a goal of securing \$5 billion this legislative Session and constitutionally dedicating \$1 billion annually to the Texas Water Fund through a Senate Joint Resolution.

The plan aims to address water supply issues through desalination, brackish groundwater access, and water imports, with long-term goals to meet the state's future needs. With concerns rising over the state's preparedness for droughts and future growth, Senator Perry's proposal hopes to ensure that water infrastructure keeps pace with demand and supports economic development.

Key Provisions

As requested by Governor Abbott in his emergency item for a "Texas-Size Investment in Texas Water," the will be on developing new water supplies. This item aims to deliver water from new sources to municipal, governmental, commercial, industrial, and agricultural users.



DISTRICT 31

SB 1034 – WATER CYBERSECURITY MEASURES FOR RETAIL PUBLIC UTILITIES

Background

The Texas Senate Water, Agriculture, Rural Affairs Committee analyzed the interim charge relating to water system reliability through the prism of water infrastructure cybersecurity. As heard during the committee hearing, cyberattacks are increasingly carried out by both foreign nation-states and non-state actors, many of whom are highly skilled, well-resourced, and well-funded. The cyberattacks on water systems in rural Texas towns such as Muleshoe demonstrate their disruptive potential to water system operations and, ultimately, the serious threats potential, future cyberattacks pose to the public safety and well-being of every Texas community. Cyberattacks are increasingly carried out by both foreign nation-states and non-state actors, many of whom are highly skilled, well-resourced, and well-funded. Additionally, federal security agencies have raised concerns regarding the vulnerabilities of critical infrastructure, specifically water utilities, in defending against such sophisticated cyber threats. While state leadership has implemented protective measures for state-level entities, smaller government sectors—such as counties, municipalities, and water districts—face greater challenges in addressing evolving cybersecurity threats.

Key Provisions

SB 1034 prohibits internet connections for supervisory control and data acquisition (SCADA) systems, requires employee identity authentication for network access, and mandates annual training, security assessments, and audit submissions. The Texas Commission on Environmental Quality, in coordination with Department of Information Resources and the Cyber Center for Security and Analytics, will set and review cybersecurity rules. Utilities must also report security breaches within 48 hours.

Statements of Support

"TPPF applauds Sen. Sparks for his leadership on securing our critical water infrastructure from increasing cyberattacks. The rise in cybercrimes targeting our critical infrastructure is alarming. As evinced by the data and increasingly common stories like the infiltration of the Muleshoe, Texas' water system by rogue cyberterrorists, bold and courageous leadership is needed. SB 1034 provides just that, serving as a commonsense response to the cry for help from water systems operators—especially those in rural areas of the state." – **David Dunmoyer**, **Campaign Director**, **Texas Public Policy Foundation**

"The cyberattacks in Muleshoe, Lockney, Hale Center and elsewhere in Texas have been a wake-up call for state leadership. Cybersecurity has become a serious concern for retail water providers in our state, and we must address it. SB 1036 will implement effective, common sense solutions to protect water service in Texas against the threat of disruption posed by foreign actors and domestic criminals engaged in cyber warfare." – Charles Perry, Texas State Senator – Texas Senate District 28

"The Texas Water Infrastructure Network strongly supports efforts that provide essential resources and empower Texas water utilities to address the growing threat of cybersecurity. As the state considers historic investments in water funding, it is crucial that we prioritize the protection of our critical water infrastructure." – Perry Fowler, Executive Director, Texas Water Infrastructure Network



SB 1301 – DESIGN-BUILD METHOD

Background

Texas' population is projected to increase by over 22 million by 2070, while the state's water supply is expected to decrease by 18 percent. Currently, Section 2269 of the Texas Government Code restricts water and wastewater entities serving populations under 100,000 from using the design-build method. Design-build is a construction method that combines design and construction into a single contract. Removing the 100,000 population threshold for design-build projects will enhance flexibility and efficiency, offering local governments additional options to address growing water and wastewater infrastructure needs. SB 1301 will enable rural and mid-sized communities to benefit from these proven, efficient delivery methods, just as urban areas do. Furthermore, it will foster local economic growth and competition, improve infrastructure resilience and regulatory compliance, and help minimize cost overruns.

Key Provisions

SB 1301 removes the population threshold, allowing smaller governmental entities to use this method. It defines what constitutes a single integrated project, such as linear transit systems with multiple stops and water or wastewater infrastructure projects with various components. The bill will take effect on September 1, 2025.

Aging, deteriorating water and wastewater infrastructure and unprecedented population growth have Texas at a crossroads. Municipalities and water authorities may or may not decide that design-build is the right approach for their projects, but under current statute over 1,500 municipalities and water authorities with less than 100,000 service area population are precluded from accessing design-build. No other state imposes population-based restrictions on project delivery methods for water and wastewater projects. Since this restriction was enacted over a decade ago, collaborative delivery methods for water and wastewater projects have advanced significantly, yet Texas law has not kept pace. – Scott Phillips, Advocacy Committee Chair, Water Collaborative Delivery Association

Design-build legislation for water in Texas is lagging behind the rest of the country and even lags behind design-build legislation for other markets in Texas. While communities can use design-build for almost any other project, water and wastewater infrastructure projects are arbitrarily restricted to large municipalities with service populations of more than 100,000. Growth in the state is occurring in these small- to mid-sized communities, and they need the same tools as all other communities to keep up. – **Burns & McDonnell**



SB 971 – RURAL DEFINITION CLEANUP

DISTRICT 31

Background

During the Sunset Commission's 2022 review of the Texas Water Development Board (TWDB), concerned parties emphasized the need for a consistent definition of "rural political subdivision" in state law to enhance the agency's effectiveness. In the 88th Regular Legislative Session, the Legislature addressed this need by passing HB 3582, which established a definition of "rural water" developed in collaboration with the TWDB and stakeholders. This definition accurately reflected the needs of rural and urban communities. Later in the session, SB 469 was enacted with similar language but included a scrivener's error that unintentionally expanded the definition to include urban political subdivisions. Under the Code Construction Act, SB 469 now controls as the most recently passed legislation, leaving the flawed definition in place. Correcting the discrepancy in the two enacted subsections is essential to rectify the initial legislative intent of both bills, which was to exclude municipalities inside urban areas from qualifying as "rural political subdivisions."

Key Provisions

The bill removes Section 15.001(14) of the Water Code, which was added by Chapter 1064 (SB 469) during the 88th Legislature. The correct definition from HB 3582 will remain in statute as the controlling language.

Statements of Support

"Texas Rural Water Association is proud to support SB 971. This legislation will help correct the discrepancy to provide clarity and consistency for rural applicants across Texas Water Development Programs. We applaud Senator Sparks' efforts to restore legislative intent by preserving the agreed-upon definition of "rural water," which will ensure clarity and consistency in water policy implementation. We look forward to working with Senator Sparks and other legislators during this session to provide efficient service and clean, safe drinking water to the rural water community." – Mary Alice McKaughan, General Counsel, Texas Rural Water Association

"I am proud to work with Senator Sparks in carrying HB 2302, the House companion to his critical legislation that will restore the definition of 'rural water,' preserve our legislative intent, and ensure consistent water policy implementation for rural Texans. I appreciate Senator Sparks' efforts on this vital issue, and I look forward to working with my colleagues to ensure rural communities have access to efficient service and clean, abundant drinking water." – Stan Gerdes, State Representative – District 17