



THE TEXAS STATE CHAMBER

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March 20, 2023

*Senate Water, Agriculture, and Rural Affairs Committee Written Testimony
Support Bill SB28 and SJR75*

Dear Chairman Perry and Members of the Senate Water, Agriculture & Rural Affairs Committee,

The business community in Texas appreciates how you and your colleagues are working to help enhance water infrastructure and supply across the state. The ongoing drought that Texans are facing shines light on the issues impacting our water supply and the potential to worsen economic conditions for businesses across the state. Recent reports from Texas2036 show Texas water needs will exceed 4.7 million acres by 2030, which is 27% of the state's total water usage in 2020 alone. This will cost the state \$91 million in lost economic activity each year.

The increased need for water will not only affect economic development opportunities, but also the industries that make Texas great. The 2022 State Water Plan developed by the Texas Water Development Board (TWDB) suggests that if nothing is done to enhance the water supply, Texas can lose up to \$117 billion in revenue and over 988,000 jobs.

SB28 and SJR75 provide financial assistance necessary to the TWDB. Specifically, it creates the New Water Supply for Texas Fund, which authorizes TWDB to invest in projects that will ensure safe and adequate water supply for Texans. This includes infrastructure and desalination projects as well as the replacement of leaking water pipes. Further investment in replacing water pipes past their lifecycle will also help to enhance our water supply by reducing leaks and improving water conservation.

On behalf of nearly 1,500 business members from across Texas and over 200 chambers of commerce, the Texas Association of Business (TAB) strongly supports SB28.

The passage of SB28 and SJR75 would greatly impact our water supply through the funding of marine desalination plants. Desalination plants increase the state's water supply, provide job opportunities for Texans, and supply our semi-conductor, manufacturing, energy, and agriculture industry leaders, among others. While Texas has numerous ground and surface water desalination plants, we currently do not have one using seawater. Utilizing our gulf coast resources to implement a seawater desal plant would be instrumental in creating more water for our state and further prove that Texas is the greatest state to do business and can serve as a model for the rest of the country.

TAB greatly appreciates Chairman Perry and the Committee for their work on this bill and considering the increased need for safe and reliable water resources in this state. TAB will continue to prioritize the need for water infrastructure and is available as a resource to the Committee whenever needed.

Sincerely,

Rebecca Grande
Policy Manager
Texas Association of Business