



3274 FM 2579
Floresville, TX 78114
Office (830) 393-4424
www.picosawsc.com

For your consideration:

Below is an overview of a proposed amendment that increases state funding for water utilities. **This proposed amendment will be on the ballot on November 4, 2025.** The Texas Water Development Board (TWDB) is responsible for administering funds allocated by the State Legislature to assist water utilities.

Please review the amendment, do your research on the pros & cons, visit the TWDB website for information on their services and make your voice heard at the election.

Proposition Number 4 (HJR 7)

House Joint Resolution (HJR) 7 is the legislation behind Texas Proposition 4, a constitutional amendment on the November 4, 2025, ballot. It proposes dedicating a portion of the state's sales and use tax revenue to the Texas Water Fund to support water infrastructure, supply expansion and rural access.

If passed, Proposition 4 would:

- **Dedicate sales tax revenue:** Require the state comptroller to annually deposit up to \$1 billion into the Texas Water Fund.
 - This deposit would occur if the state's total sales and use tax revenue exceeds \$46.5 billion in a fiscal year.
- **Provide long-term funding for water projects:** Address Texas's future water needs, which are challenged by rapid growth and drought.
 - The funding would be used for infrastructure projects such as new water supplies, wastewater facilities, and flood prevention.
- **Establish allocation terms:**
 - The comptroller's duty to make these deposits would expire on August 31, 2047.
 - The legislature could adjust the funding amount or extend the program in the future.
- **Take effect:** If approved by voters in November 2025, the amendment would take effect on September 1, 2027.

Arguments for and against

- **Support:** Proponents argue the amendment is a stable, long-term funding source for crucial water infrastructure without creating new taxes. They say it will help the state prepare for population growth and protect water resources.
- **Opposition:** Critics contend that dedicating revenue through the constitution erodes legislative accountability and limits future lawmakers' flexibility to manage the budget. They suggest it could also hinder private-sector solutions and lead to politicized funding decisions.