

AN ACT

relating to rates applied to certain water or sewer systems after a sale or purchase of the system.

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

SECTION 1. Subchapter H, Chapter 13, Water Code, is amended by adding Section 13.3011 to read as follows:

Sec. 13.3011. INITIAL RATES FOR CERTAIN WATER OR SEWER SYSTEMS AFTER PURCHASE OR ACQUISITION. (a) A person who files an application described by Section 13.301(a) for the purchase or acquisition of a water or sewer system may request that the regulatory authority with original jurisdiction over the rates for water or sewer service provided by the person to the customers of the system authorize the person to charge initial rates for the service that are:

(1) shown in a tariff filed with a regulatory authority by the person for another water or sewer system; and

(2) in force for the other water or sewer system on the date the application described by Section 13.301(a) is filed.

(b) The regulatory authority may not require a person who makes a request under Subsection (a) to initiate a new rate proceeding to establish the initial rates for service the person will provide to the customers of the purchased or acquired system.

SECTION 2. The change in law made by this Act applies only to a purchase or acquisition of a water or sewer system the

1 application for which is filed under Section 13.301(a), Water Code,
2 on or after the effective date of this Act. A purchase or
3 acquisition of a water or sewer system the application for which is
4 filed under Section 13.301(a), Water Code, before the effective
5 date of this Act is governed by the law in effect on the date the
6 application was filed, and the former law is continued in effect for
7 that purpose.

8 SECTION 3. This Act takes effect September 1, 2021.

President of the Senate

Speaker of the House

I certify that H.B. No. 1484 was passed by the House on April 16, 2021, by the following vote: Yeas 139, Nays 6, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 1484 was passed by the Senate on May 19, 2021, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor