

By: Schofield

H.B. No. 3476

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to certificates of public convenience and necessity issued  
3 to water utilities inside the boundaries or extraterritorial  
4 jurisdiction of certain municipalities.

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

6 SECTION 1. Section 13.245, Water Code, is amended by  
7 amending Subsections (b), (c-3), (c-4), and (c-5) and adding  
8 Subsections (b-1) and (c-6) to read as follows:

9 (b) Except as provided by Subsections (c), (c-1), and (c-2),  
10 the utility commission may not grant to a retail public utility a  
11 certificate of public convenience and necessity for a service area  
12 within the boundaries or extraterritorial jurisdiction of a  
13 municipality without the consent of the municipality. The  
14 municipality may not unreasonably withhold the consent.

15 (b-1) A municipality may require, as [As] a condition of  
16 [the] consent under Subsection (b) for a certificate for a service  
17 area within the boundaries of the [a] municipality, [may require]  
18 that all water and sewer facilities be designed and constructed in  
19 accordance with the municipality's standards for facilities. A  
20 municipality may not require, as a condition of consent under  
21 Subsection (b) for a certificate for a service area within the  
22 extraterritorial jurisdiction of the municipality, that all water  
23 and sewer facilities be designed and constructed in accordance with  
24 the municipality's standards for facilities.

1           (c-3) The utility commission must include, as a condition of  
2 a certificate of public convenience and necessity granted under  
3 Subsection (c-1) or (c-2) for a service area within the boundaries  
4 of a municipality, that all water and sewer facilities be designed  
5 and constructed in accordance with the municipality's standards for  
6 water and sewer facilities.

7           (c-4) The utility commission must include, as a condition of  
8 a certificate of public convenience and necessity granted under  
9 this section for a service area within the extraterritorial  
10 jurisdiction of a municipality, that all water and sewer facilities  
11 be designed and constructed in accordance with the commission's  
12 standards for water and sewer facilities.

13           (c-5) Subsections (c-1), (c-2), and (c-3) do not apply to:

14                   (1) a county that borders the United Mexican States  
15 and the Gulf of Mexico or a county adjacent to such a county;

16                   (2) a county with a population of more than 30,000 and  
17 less than 35,000 that borders the Red River; or

18                   (3) a county with a population of more than 100,000 and  
19 less than 200,000 that borders a county described by Subdivision  
20 (2).

21           (c-6) [~~(c-5)~~] Subsections (c-1), (c-2), and (c-3) do not  
22 apply to:

23                   (1) a county with a population of 130,000 or more that  
24 is adjacent to a county with a population of 1.5 million or more  
25 that is within 200 miles of an international border; or

26                   (2) a county with a population of more than 40,000 and  
27 less than 50,000 that contains a portion of the San Antonio River.

1 SECTION 2. This Act takes effect September 1, 2021.