

1-1 By: Schofield H.B. No. 3476
 1-2 (Senate Sponsor - Bettencourt, Campbell)
 1-3 (In the Senate - Received from the House May 3, 2021;
 1-4 May 10, 2021, read first time and referred to Committee on Water,
 1-5 Agriculture & Rural Affairs; May 20, 2021, reported adversely,
 1-6 with favorable Committee Substitute by the following vote: Yeas 8,
 1-7 Nays 1; May 20, 2021, sent to printer.)

1-8 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-9				
1-10	X			
1-11	X			
1-12	X			
1-13		X		
1-14	X			
1-15	X			
1-16	X			
1-17	X			
1-18	X			

1-19 COMMITTEE SUBSTITUTE FOR H.B. No. 3476 By: Perry

1-20 A BILL TO BE ENTITLED
 1-21 AN ACT

1-22 relating to certificates of public convenience and necessity issued
 1-23 to water utilities inside the boundaries or extraterritorial
 1-24 jurisdiction of certain municipalities.

1-25 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-26 SECTION 1. Section 13.245, Water Code, is amended by
 1-27 amending Subsections (b), (c-3), (c-4), and (c-5) and adding
 1-28 Subsection (c-6) to read as follows:

1-29 (b) Except as provided by Subsections (c), (c-1), and (c-2),
 1-30 the utility commission may not grant to a retail public utility a
 1-31 certificate of public convenience and necessity for a service area
 1-32 within the boundaries or extraterritorial jurisdiction of a
 1-33 municipality without the consent of the municipality. The
 1-34 municipality may not unreasonably withhold the consent. ~~[As a~~
 1-35 ~~condition of the consent, a municipality may require that all water~~
 1-36 ~~and sewer facilities be designed and constructed in accordance with~~
 1-37 ~~the municipality's standards for facilities.]~~

1-38 (c-3) The utility commission must include, as a condition of
 1-39 a certificate of public convenience and necessity granted under
 1-40 Subsection (c-1) or (c-2) for a service area within the boundaries
 1-41 of a municipality, that all water and sewer facilities be designed
 1-42 and constructed in accordance with the municipality's standards for
 1-43 water and sewer facilities.

1-44 (c-4) The utility commission must include, as a condition of
 1-45 a certificate of public convenience and necessity granted under
 1-46 this section for a service area within the extraterritorial
 1-47 jurisdiction of a municipality, that all water and sewer facilities
 1-48 be designed and constructed in accordance with:

1-49 (1) the commission's standards for water and sewer
 1-50 facilities applicable to water systems that serve greater than 250
 1-51 connections; or

1-52 (2) the commission's standards for water and sewer
 1-53 facilities applicable to water systems that serve 250 or fewer
 1-54 connections, if the utility commission determines that:

1-55 (A) standards for water and sewer facilities
 1-56 applicable to water systems that serve 250 or fewer connections are
 1-57 appropriate for the service area; and

1-58 (B) regionalization of the retail public utility
 1-59 or consolidation of the retail public utility with another retail
 1-60 public utility is not economically feasible under Section

2-1 13.241(d).
2-2 (c-5) Subsections (c-1), (c-2), [~~and~~] (c-3), and (c-4) do
2-3 not apply to:
2-4 (1) a county that borders the United Mexican States
2-5 and the Gulf of Mexico or a county adjacent to such a county;
2-6 (2) a county with a population of more than 30,000 and
2-7 less than 35,000 that borders the Red River; or
2-8 (3) a county with a population of more than 100,000 and
2-9 less than 200,000 that borders a county described by Subdivision
2-10 (2).
2-11 (c-6) [~~(c-5)~~] Subsections (c-1), (c-2), [~~and~~] (c-3), and
2-12 (c-4) do not apply to:
2-13 (1) a county with a population of 130,000 or more that
2-14 is adjacent to a county with a population of 1.5 million or more
2-15 that is within 200 miles of an international border; or
2-16 (2) a county with a population of more than 40,000 and
2-17 less than 50,000 that contains a portion of the San Antonio River.
2-18 SECTION 2. This Act takes effect September 1, 2021.

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