

1-1 By: Schwertner S.B. No. 387
1-2 (In the Senate - Filed January 22, 2021; March 9, 2021, read
1-3 first time and referred to Committee on Water, Agriculture & Rural
1-4 Affairs; March 30, 2021, reported adversely, with favorable
1-5 Committee Substitute by the following vote: Yeas 9, Nays 0;
1-6 March 30, 2021, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
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 COMMITTEE SUBSTITUTE FOR S.B. No. 387 By: Perry

1-19 A BILL TO BE ENTITLED
1-20 AN ACT

1-21 relating to the appeal of rates for water or sewer service charged
1-22 to certain customers of a municipality.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Section 13.043, Water Code, is amended by
1-25 amending Subsection (b) and adding Subsection (b-4) to read as
1-26 follows:

1-27 (b) Ratepayers of the following entities may appeal the
1-28 decision of the governing body of the entity affecting their water,
1-29 drainage, or sewer rates to the utility commission:

1-30 (1) a nonprofit water supply or sewer service
1-31 corporation created and operating under Chapter 67;

1-32 (2) a utility under the jurisdiction of a municipality
1-33 inside the corporate limits of the municipality;

1-34 (3) a municipally owned utility, if the ratepayers
1-35 reside outside the corporate limits of the municipality, including
1-36 a decision of a governing body that results in an increase in rates
1-37 when the municipally owned utility takes over the provision of
1-38 service to ratepayers previously served by another retail public
1-39 utility;

1-40 (4) a district or authority created under Article III,
1-41 Section 52, or Article XVI, Section 59, of the Texas Constitution
1-42 that provides water or sewer service to household users; and

1-43 (5) a utility owned by an affected county, if the
1-44 ratepayer's rates are actually or may be adversely affected. For
1-45 the purposes of this section ratepayers who reside outside the
1-46 boundaries of the district or authority shall be considered a
1-47 separate class from ratepayers who reside inside those boundaries.

1-48 (b-4) Subsection (b)(3) does not apply to a municipally
1-49 owned utility that takes over the provision of service to
1-50 ratepayers previously served by another retail public utility if
1-51 the municipally owned utility:

1-52 (1) takes over the service at the request of the
1-53 ratepayer;

1-54 (2) takes over the service in the manner provided by
1-55 Subchapter H; or

1-56 (3) is required to take over the service by state law,
1-57 an order of the commission, or an order of the utility commission.

1-58 SECTION 2. (a) Notwithstanding Section 13.043(c), Water
1-59 Code, a ratepayer described by Section 13.043(b), Water Code, as
1-60 amended by this Act, may use the appeal process in Section 13.043,

2-1 Water Code, to appeal increased rates charged to the ratepayer by a
2-2 municipally owned utility by filing a petition for review with the
2-3 Public Utility Commission of Texas and the municipally owned
2-4 utility not later than December 1, 2021, if the municipally owned
2-5 utility began providing service to the ratepayer on or after
2-6 September 1, 2016.

2-7 (b) Subsection (a) of this section applies only to rates
2-8 that the municipally owned utility has not changed since the
2-9 municipally owned utility began providing service to the ratepayer.

2-10 SECTION 3. This Act takes effect September 1, 2021.

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