

By: Talton

H.B. No. 2301

A BILL TO BE ENTITLED

AN ACT

relating to the authority of certain special districts to establish differences in rates between customer classes.

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

SECTION 1. Subchapter H, Chapter 49, Water Code, is amended by adding Section 49.2122 to read as follows:

Sec. 49.2122. ESTABLISHMENT OF CUSTOMER CLASSES. (a)

Notwithstanding any other law, a district may establish different charges, fees, rentals, or deposits among classes of customers that are based on any factor the district considers appropriate, including:

(1) the similarity of the type of customer to other customers in the class, including:

(A) residential;

(B) commercial;

(C) industrial;

(D) apartment;

(E) rental housing;

(F) irrigation;

(G) homeowner associations;

(H) builder;

(I) out-of-district;

(J) nonprofit organization; and

(K) any other type of customer as determined by

1 the district;

2 (2) the type of services provided to the customer
3 class;

4 (3) the cost of facilities, operations, and
5 administrative services to provide service to a particular class of
6 customer, including additional costs to the district for security,
7 recreational facilities, or fire protection paid from other
8 revenues; and

9 (4) the total revenues, including ad valorem tax
10 revenues and connection fees, received by the district from a class
11 of customers relative to the cost of service to the class of
12 customers.

13 (b) A district is presumed to have weighed and considered
14 appropriate factors and to have properly established charges, fees,
15 rentals, and deposits absent a showing that the district acted
16 arbitrarily and capriciously.

17 SECTION 2. This Act takes effect immediately if it receives
18 a vote of two-thirds of all the members elected to each house, as
19 provided by Section 39, Article III, Texas Constitution. If this
20 Act does not receive the vote necessary for immediate effect, this
21 Act takes effect September 1, 2007.