

By: McClendon

H.B. No. 3862

Substitute the following for H.B. No. 3862:

By: Puente

C.S.H.B. No. 3862

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the duties of a water service provider in an area served
3 by sewer service of certain political subdivisions.

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

5 SECTION 1. Subchapter Z, Chapter 402, Local Government
6 Code, is amended by adding Section 402.911 to read as follows:

7 Sec. 402.911. DUTIES OF WATER SERVICE PROVIDER TO AN AREA
8 SERVED BY SEWER SERVICE OF CERTAIN POLITICAL SUBDIVISIONS. (a)
9 This section applies only to an area:

10 (1) that is located in a county that has a population
11 of more than one million and in which more than 80 percent of the
12 population resides in a single municipality; and

13 (2) in which:

14 (A) sewer service is provided by a municipality
15 or conservation and reclamation district that also provides water
16 service to other areas; and

17 (B) an entity other than the municipality or
18 district described by Paragraph (A) provides water service to the
19 area.

20 (b) A municipality or conservation and reclamation district
21 may provide written notice to a person to whom the municipality's or
22 district's sewer service system provides service if the person has
23 failed to pay for the service for more than 90 days. The notice must
24 state the past due amount owed and the deadline by which the past

1 due amount must be paid or the person will lose water service. The
2 notice may be sent by mail or hand-delivered to the location at
3 which the sewer service is provided.

4 (c) The municipality or district may notify the water
5 service provider of a person who fails to make timely payment after
6 the person receives notice under Subsection (b). The notice must
7 indicate the number of days the person has failed to pay for sewer
8 service and the total amount past due. On receipt of the notice,
9 the water service provider shall discontinue water service to the
10 person.

11 (d) For each person the water service provider serves in an
12 area to which this section applies, the water service provider
13 shall provide the municipality or district with any relevant
14 customer information so that the municipality or district may bill
15 users of the sewer service directly and verify the water
16 consumption of users. Relevant customer information provided under
17 this section includes the name, address, and telephone number of
18 the customer of the water service provider, the monthly meter
19 readings of the customer, monthly consumption information,
20 including any billing adjustments, and certain meter information,
21 such as brand, model, age, and location.

22 (e) The municipality or district shall reimburse the water
23 service provider for its reasonable and actual incremental costs
24 for providing services to the municipality or district under this
25 section. Incremental costs are limited to only those costs that are
26 in addition to the water service provider's costs in providing its
27 services to its customers, and those costs must be consistent with

1 the costs incurred by other water utility providers. The water
2 service provider must provide the municipality or district with
3 documentation certified by a certified public accountant of the
4 reasonable and actual incremental costs for providing services to
5 the municipality or district under this section.

6 SECTION 2. This Act takes effect September 1, 2007.