

BILL ANALYSIS

H.B. 4043
By: Callegari
Natural Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

A retail public utility must obtain a certificate of convenience and necessity ("CCN") to provide water and sewer service for a given area. Current law requires that a seller of real property located within the CCN of a retail public utility other than a water district provide a purchaser with written notice regarding the property's location within a CCN. Certain types of real estate transactions, including the transfer of title to property located within the corporate limits of a municipality, are exempt from this notification requirement.

H.B. 4043 clarifies that the notice requirement does not apply to the transfer of title to property located within the corporate limits of a municipality that is served by a municipally owned utility.

RULEMAKING AUTHORITY

It is the Committee's opinion that the bill does not expressly delegate any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1. Amends Section 13.257(c), Water Code, as follows:

Subsection (c). Clarifies that the transfer of title to property located within the corporate limits of a municipality that is served by a municipally owned utility is exempt from the requirement that a seller of real property located within a CCN provide the purchaser with written notice regarding the property's location within a CCN.

SECTION 2. Provides that the change in law made by this Act is not retroactive.

SECTION 3. Provides the effective date of this Act.

EFFECTIVE DATE

This Act take effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2009.