

Amend CSHB 725 by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS accordingly:

SECTION _____. Subchapter D, Chapter 54, Water Code, is amended by adding Section 54.204 to read as follows:

Sec. 54.204. PUBLIC MEETINGS BEFORE CERTAIN WATER RATE INCREASES. (a) A wholesale supplier of water to a district that proposes to increase the rate the district pays for water must conduct at least two public meetings on the proposed rate increase in the district.

(b) The district may pass the increase along to the district's customers only after the public meetings have been held under Subsection (a).

(c) This section applies only to a proposed rate that is at least 200 percent higher than the rate the wholesale supplier charged the district at any time in the preceding 36-month period.