

By: Bohac

H.B. No. 2778

A BILL TO BE ENTITLED

AN ACT

relating to the criteria necessary to require a hearing to review an application for a rate change by certain water and sewer utilities.

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

SECTION 1. Section 13.002, Water Code, is amended by adding Subdivision (21-a) to read as follows:

(21-a) "Subdivision" means all land that has been divided into two or more parts and that is or was burdened by restrictions limiting at least the majority of the land area burdened by restrictions, excluding streets and public areas, to residential use only, if the instrument or instruments creating the restrictions are recorded in the deed or real property records of a county.

SECTION 2. Section 13.187(e), Water Code, is amended to read as follows:

(e) The regulatory authority shall set the matter for hearing if ~~[If]~~, before the 91st day after the effective date of the rate change, the regulatory authority receives a complaint from:

(1) any affected municipality;

(2) [~~or from~~] the lesser of 1,000 or 10 percent of the ratepayers of the utility over whose rates the regulatory authority has original jurisdiction; or

(3) at least 10 percent of the ratepayers residing in the same subdivision or five-digit zip code who receive service

1 from the utility over whose rates the regulatory authority has
2 original jurisdiction, provided that the owners sign a petition and
3 attach documentation verifying their residences and receipt of
4 service~~[, the regulatory authority shall set the matter for~~
5 ~~hearing]~~.

6 SECTION 3. This Act applies only to a rate change for which
7 a statement of intent is filed on or after the effective date of
8 this Act. A rate change for which a statement of intent is filed
9 before the effective date of this Act is governed by the law in
10 effect on the date the statement was filed, and that law is
11 continued in effect for that purpose.

12 SECTION 4. This Act takes effect September 1, 2011.