

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 1086
By: Campbell
Natural Resources
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Investor-owned water utilities (IOU) and water supply corporations (WSC) sometimes serve areas in a city or the city's extraterritorial jurisdiction. Some of those utilities have what many would consider less than optimal service quality, including the fact that their facilities are not adequate to provide fire hydrants with sufficient flow.

Rather than deal with local citizens' concerns about its lack of service, some utilities simply paint their fire hydrants black and do not provide the service. Firefighters are left to guess which fire hydrants work during emergencies when every second counts. This results in greater risk of suffering loss of life and destruction of property for homeowners and businesses alike. In addition, black hydrants make a subdivision less desirable to home buyers than a subdivision where all the fire hydrants are red. Insurance rates for homeowners and businesses are driven higher by the fact that none of the fire hydrants are "operable" because they are painted black.

As urban areas grow, conflicts between cities and IOUs or WSCs holding a certificate of convenience and necessity inside a city or its extraterritorial jurisdiction have escalated. A city that jumps the hurdles necessary to annex and/or provide service to an area that was formerly in the certificated area of such a provider must often spend large amounts of money to upgrade infrastructure to provide basic fire protection capability. In addition, an IOU or WSC that is already inside a city's limits cannot be forced to provide adequate service for fire protection.

C.S.S.B. 1086 authorizes a city to impose fire flow requirements on an IOU or WSC, subject to Texas Commission on Environmental Quality monitoring, in and around Buda, Cibolo, and Kyle.

C.S.S.B. 1086 amends current law relating to the authority to regulate certain water and sewage utilities to ensure public safety in and around certain municipalities.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 341.0358(a), Health and Safety Code, by amending Subdivision (1) and adding Subdivision (1-a), to define "industrial district" and to make a nonsubstantive change.

SECTION 2. Amends Section 341.0358(g), Health and Safety Code, as follows:

(g) Provides that this section (Public Safety Standards) also applies to:

(1) a municipality with a population of more than 36,000 and less than 41,000 located in two counties, one of which is a county with a population of more than 1.8 million;

(2) a municipality, including any industrial district within the municipality or its extraterritorial jurisdiction, with a population of more than 7,000 and less than 30,000 located in a county with a population of more than 155,000 and less than 180,000; and

(3) a municipality, including any industrial district within the municipality or its extraterritorial jurisdiction, with a population of more than 11,000 and less than 18,000 located in a county with a population of more than 125,000 and less than 230,000.

SECTION 3. Effective date: September 1, 2013.