

By: Burnam, Lucio III, Callegari

H.B. No. 3605

Substitute the following for H.B. No. 3605:

By: Johnson

C.S.H.B. No. 3605

A BILL TO BE ENTITLED

AN ACT

relating to the evaluation by the Texas Water Development Board of applications for financial assistance for certain retail public utilities.

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

SECTION 1. Subchapter D, Chapter 17, Water Code, is amended by adding Section 17.1245 to read as follows:

Sec. 17.1245. EVALUATION AND MODIFICATION OF CERTAIN APPLICATIONS. (a) In passing on an application for financial assistance from a retail public utility that provides potable water service to 3,300 or more connections, the board shall:

(1) evaluate the utility's system water loss based on the most recent audit prepared under Section 16.0121;

(2) evaluate for compliance with the board's best management practices the utility's water conservation plan required under Section 13.146; and

(3) issue a report to the utility detailing the results of the evaluation conducted under Subdivision (2).

(b) Not later than January 1 of each odd-numbered year, the board shall submit to the legislature a written summary of the results of evaluations conducted under Subsection (a)(2).

(c) If an evaluation conducted under Subsection (a)(1) indicates that a utility's system water loss exceeds 15 percent annually, the board:

1 (1) shall require the utility to amend the utility's
2 application for financial assistance to include a plan to reduce
3 the utility's system water loss to less than 15 percent annually;
4 and

5 (2) may require that a portion of financial assistance
6 awarded under this chapter be used to mitigate the system water loss
7 or award additional financial assistance for that purpose.

8 (d) The board, by a two-thirds vote, may exempt from the
9 application of Subsection (c) a utility whose system water loss
10 exceeds 15 percent.

11 SECTION 2. Section 17.1245, Water Code, as added by this
12 Act, applies only to an application for financial assistance
13 submitted on or after the effective date of this Act. An
14 application for financial assistance submitted before the
15 effective date of this Act is governed by the law in effect on the
16 date the application was submitted, and the former law is continued
17 in effect for that purpose.

18 SECTION 3. This Act takes effect September 1, 2013.