

By: Burnam

H.B. No. 3605

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the evaluation by the Texas Water Development Board of
3 applications for financial assistance for certain retail public
4 utilities.

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

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

8 Sec. 17.1245. EVALUATION AND MODIFICATION OF CERTAIN
9 APPLICATIONS. (a) In passing on an application for financial
10 assistance from a retail public utility that provides potable water
11 service to 3,300 or more connections, the board shall evaluate the
12 utility's system water loss based on the most recent audit prepared
13 under Section 16.0121.

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

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

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

24 (c) The board, by a two-thirds vote, may exempt from the

1 application of Subsection (b) a utility whose system water loss
2 exceeds 15 percent.

3 SECTION 2. Section 17.1245, Water Code, as added by this
4 Act, applies only to an application for financial assistance
5 submitted on or after the effective date of this Act. An
6 application for financial assistance submitted before the
7 effective date of this Act is governed by the law in effect on the
8 date the application was submitted, and the former law is continued
9 in effect for that purpose.

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