

By: Lucio

S.B. No. 1817

A BILL TO BE ENTITLED

AN ACT

relating to municipally owned utility systems.

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

SECTION 1. Section 1502.001, Government Code, is amended by adding Subdivision (4) to read as follows:

(4) "Water system" means any one or a combination of the following:

(A) an untreated or partially treated water diversion, impoundment, and delivery system, including a stream, channel, resaca, or canal;

(B) a treated water production, storage, and distribution system; or

(C) a reclaimed water transmission, storage, and distribution system.

SECTION 2. Section 1502.057, Government Code, is amended to read as follows:

Sec. 1502.057. CHARGES FOR SERVICES. (a) The governing body of the [A] municipality or the board of trustees having management and control of a utility system shall impose and collect charges for services provided by a utility system in amounts at least sufficient to pay:

(1) all operating, maintenance, depreciation, replacement, improvement, and interest charges in connection with the utility system;

1 (2) for an interest and sinking fund sufficient to pay
2 any public securities issued or obligations incurred for any
3 purpose described by Section 1502.002 relating to the utility
4 system; and

5 (3) any outstanding debt against the system.

6 (b) The rates charged for services provided by a utility
7 system must be equal and uniform. A municipality or board of
8 trustees may not allow any free service except for:

9 (1) municipal public schools; or

10 (2) buildings and institutions operated by the
11 municipality.

12 SECTION 3. This Act takes effect immediately if it receives
13 a vote of two-thirds of all the members elected to each house, as
14 provided by Section 39, Article III, Texas Constitution. If this
15 Act does not receive the vote necessary for immediate effect, this
16 Act takes effect September 1, 2013.