

By: Isaac

H.B. No. 3622

A BILL TO BE ENTITLED

AN ACT

relating to the provision of wholesale water or sewer service to certain municipalities.

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

SECTION 1. Subchapter D, Chapter 13, Water Code, is amended by adding Section 13.088 to read as follows:

Sec. 13.088. MUNICIPAL WHOLESAL SERVICE IN CERTAIN COUNTIES. (a) This section applies only to:

(1) a home-rule municipality primarily located in a county with a population of more than one million; and

(2) a general-law municipality with a population of less than 301 located in a county with a population of more than 150,000.

(b) A municipally owned utility of a home-rule municipality shall provide wholesale water and sewer service to a general-law municipality on the request of the general-law municipality, at the level of service requested by the general-law municipality, if:

(1) the extraterritorial jurisdiction of the home-rule municipality borders the extraterritorial jurisdiction of the general-law municipality on January 1, 2015;

(2) the general-law municipality possesses a certificate of public convenience and necessity;

(3) an aquifer provides the sole water supply for the general-law municipality;

1 (4) a groundwater conservation district with
2 jurisdiction over the aquifer has determined that the aquifer has
3 limited capacity and experiences frequent droughts; and

4 (5) at least 50 percent of the territory of the
5 general-law municipality, including territory in the
6 municipality's corporate boundaries and extraterritorial
7 jurisdiction, is located in a recharge zone of the aquifer
8 described by Subdivision (3) and the groundwater conservation
9 district described by Subdivision (4) has determined that the
10 recharge zone is environmentally sensitive.

11 (c) A general-law municipality that makes a request under
12 this section is responsible for paying the costs of construction of
13 new facilities or extending existing facilities required for the
14 service.

15 (d) A municipally owned utility that receives a request
16 under this section:

17 (1) may request that the utility commission determine
18 whether the requesting municipality meets the requirements of
19 Subsection (b); and

20 (2) may not recover through its rates the costs of
21 construction of new facilities or extending existing facilities
22 required for the service.

23 SECTION 2. This Act takes effect immediately if it receives
24 a vote of two-thirds of all the members elected to each house, as
25 provided by Section 39, Article III, Texas Constitution. If this
26 Act does not receive the vote necessary for immediate effect, this
27 Act takes effect September 1, 2015.