

BILL ANALYSIS

H.B. 837
By: Lucio III
Natural Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

With respect to the granting of a petition for the expedited release of certain areas from a certificate of public convenience and necessity and certain cases in which single certification is granted to a municipality regarding an incorporated or annexed area, there is no verification requirement to ensure that the required compensation has been paid to the applicable party. Current law requires compensation to be awarded to various actors in specific circumstances, but does not specify a way to verify that compensation was indeed paid. H.B. 837 seeks to address this issue by requiring the submission of a report verifying that the required compensation has been paid in certain cases in order to ensure more accountability in these processes.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Public Utility Commission of Texas in SECTION 3 of this bill.

ANALYSIS

H.B. 837 amends the Water Code to require the Public Utility Commission of Texas (PUC), if it requires an award of compensation with regard to the granting of a petition for the expedited release of certain areas from a certificate of public convenience and necessity, to require the petitioner to submit a report to the PUC verifying for specified purposes that the compensation has been paid to the decertified retail public utility or certificate holder, as applicable. With respect to certain cases in which the PUC grants single certification to a municipality regarding an incorporated or annexed area that is served by a retail public utility, the PUC by rule must require the municipality or applicable franchised utility to submit a report to the PUC verifying that the municipality or franchised utility has paid all required adequate and just compensation to the retail public utility.

EFFECTIVE DATE

September 1, 2021.