BILL ANALYSIS

Senate Research Center 87R22692 BRG-D H.B. 3802 By: Lozano; Guillen (Zaffirini) Water, Agriculture & Rural Affairs 5/20/2021 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Some owners of recreational vehicle parks that are served by nonprofit water supply or sewer service corporations note that they are charged water rates dissimilar to other related commercial businesses, such as apartment complexes, and that this practice of charging dissimilar water rates among similar users is not allowed for other certain water suppliers. Recreational vehicle park owners suggest that greater discretion is needed on the part of the Texas Commission on Environmental Quality (TCEQ) when determining public drinking water supply system requirements for a recreational vehicle park; this could enable TCEQ to opt for a capacity requirement that is more suitable for what is actually needed for a park, which may result in lower connectivity fees and necessary water capacity.

H.B. 3802 would address these issues by setting out provisions relating to requirements for public drinking water supply systems and certain rates and fees charged by water supply corporations. The bill would require TCEQ, in determining the number of connections served by a public drinking water supply system that provides service through meters, to establish connection equivalency values for each meter size used to serve a recreational vehicle park. The bill prohibits the utility service that provides nonsubmetered master metered water supply to a recreational vehicle park from charging a person an administrative fee for the services provided.

H.B. 3802 amends current law relating to requirements for public drinking water supply systems and certain rates and fees charged by water supply corporations.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Commission on Environmental Quality in SECTION 1 (Section 341.0315, Health and Safety Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 341.0315, Health and Safety Code, by amending Subsection (c) and adding Subsections (c-1) and (c-2), as follows:

- (c) Requires that each public drinking water supply system provide an adequate and safe drinking water supply. Requires that the supply, among other matters, provide a quantity of water or capacity of water sufficient to serve the number of connections served by the public drinking water supply system. Makes nonsubstantive changes.
- (c-1) Requires the Texas Commission on Environmental Quality by rule, in determining the number of connections served by a public drinking water supply system that provides service through meters, to establish connection equivalency values for each meter size used to serve a recreational vehicle park, as that term is defined by Section 13.087 (Municipal Rates for Certain Recreational Vehicle Parks), Water Code.
- (c-2) Requires that the connection equivalency values required by Subsection (c-1):
 - (1) establish a standard-size residential meter as one connection; and

(2) determine the equivalent number of connections for larger or smaller meters as multiples of a standard-size residential meter, based on accepted industry standards.

SECTION 2. Amends Section 49.2122(a-1), Water Code, as follows:

- (a-1) Provides that, notwithstanding Subsection (a) (relating to the authority of a district to establish different charges, fees, rentals, or deposits among classes of customers that are based on any factor the district considers appropriate), a district or water supply corporation, rather than a district, that provides nonsubmetered master metered utility service, as defined by Section 13.087(a)(1) (relating to the definition of "nonsubmetered master metered utility service"), to a recreational vehicle park, as defined by Section 13.087(a)(3) (relating to the definition of "recreational vehicle park"):
 - (1) is required to determine the rates for that service on the same basis the district or water supply corporation uses to determine the rates for other commercial businesses that serve transient customers and receive nonsubmetered master metered utility service from the district or water supply corporation; and
 - (2) is prohibited from charging a person who owns or operates a recreational vehicle park that receives nonsubmetered master metered utility service from the district or water supply corporation an administrative fee for the services provided.

Makes conforming changes.

SECTION 3. Effective date: September 1, 2021.