

By: Ellzey

H.B. No. 3724

A BILL TO BE ENTITLED

AN ACT

relating to rate change proceedings for certain water and sewer utilities.

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

SECTION 1. Section 13.18715, Water Code, is amended by adding Subsection (d) to read as follows:

(d) Notwithstanding Section 13.1871, when the regulatory authority sets a complaint for hearing under Section 13.1871(i):

(1) the regulatory authority shall suspend the effective date of the rate change; and

(2) until a final determination is made on the utility's proposed rate, the utility may not charge or collect a rate other than the rate the utility charged immediately before the utility filed the rate change application.

SECTION 2. Section 13.1872, Water Code, is amended by adding Subsection (g) to read as follows:

(g) Notwithstanding Section 13.1871, when the regulatory authority sets a complaint for hearing under Section 13.1871(i):

(1) the regulatory authority shall suspend the effective date of the rate change; and

(2) until a final determination is made on the utility's proposed rate, the utility may not charge or collect a rate other than the rate the utility charged immediately before the utility filed the rate change application.

1 SECTION 3. The changes in law made by this Act apply only to
2 a proceeding affecting the rates of a Class C or Class D utility, as
3 defined by Section 13.002, Water Code, that commences on or after
4 the effective date of this Act. A proceeding affecting the rates of
5 a Class C or Class D utility that commenced before the effective
6 date of this Act is governed by the law in effect on the date the
7 proceeding is commenced, and that law is continued in effect for
8 that purpose.

9 SECTION 4. This Act takes effect September 1, 2021.