

By: Troxclair

H.B. No. 4207

A BILL TO BE ENTITLED

AN ACT

relating to municipally owned utility vegetation management.

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

SECTION 1. Subchapter [Z](#), Chapter [552](#), Local Government Code, is amended by adding Section 552.915 to read as follows:

Sec. 552.915. PROHIBITION ON TRANSFER OF MUNICIPAL UTILITY REVENUE. (a) In this section:

(1) "Municipal utility" means a utility system owned, operated, or controlled by a municipality.

(2) "Utility system" has the meaning assigned by Section [552.914](#).

(b) Notwithstanding any other law, a municipality may not transfer revenue from a municipal utility that provides electric service to the general fund of the municipality in a fiscal year if the commission determines under Section [38.101](#), Utilities Code, that the utility's vegetation management activities are insufficient to ensure reliable service in that year.

SECTION 2. Section [38.101](#), Utilities Code, is amended to read as follows:

Sec. 38.101. REPORT ON INFRASTRUCTURE IMPROVEMENT AND MAINTENANCE. (a) Not later than May 1 of each year, each electric utility and municipally owned utility shall submit to the commission a report describing the utility's activities related to:

(1) identifying areas that are susceptible to damage

1 during severe weather and hardening transmission and distribution  
2 facilities in those areas;

3 (2) vegetation management; and

4 (3) inspecting distribution poles.

5 (b) Each electric utility and municipally owned utility  
6 shall include in a report required under Subsection (a) a summary of  
7 the utility's activities related to preparing for emergency  
8 operations.

9 (c) The commission shall evaluate each report submitted by a  
10 municipally owned utility under this section and notify the utility  
11 if the commission determines that the utility's vegetation  
12 management activities are insufficient to ensure reliable service.

13 SECTION 3. This Act takes effect September 1, 2023.