

**HOUSE OF REPRESENTATIVES
COMPILATION OF PUBLIC COMMENTS**

Submitted to the Committee on Natural Resources
For HB 2787

Compiled on: Tuesday, April 18, 2023 8:52 PM

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Hearing Date: April 18, 2023 8:00 AM

Rick Ramirez
City of Sugar Land
Sugar Land, TX

I am writing to express the City of Sugar Land's opposition to HB 2787 by Gates, which provides that a person who has been assessed a late fee for not paying their water bill on time may appeal the charge by filing a petition with the Public Utility Commission (PUC) and the city charging the fee would have the burden of proof to show to the PUC that their late fee complies with state codes. This bill is deeply concerning to us.

HB 2787 creates an unnecessary burden on both the City and the Public Utility Commission by requiring that the City repeatedly prove that its late fee complies with state law after each appeal. With enough appeals, the City may become inundated with PUC hearings that the cost to defend the City's late fee would outweigh the amount being recouped by the fee, no matter the outcome. This is wasteful of both City and State resources.

Moreover, the bill limits the late payment fee to \$5 or two percent of the amount past due, not to exceed \$500. Currently, the City charges ten percent of the amount past due for late payment. Late payment fees are used to compensate the City for the additional administrative costs associated with managing delinquent accounts and to encourage customers to pay their bills on time. Therefore, keeping the late payment fee too low may result in people not paying their water bills on time, knowing that the late fee is insignificant. It may also lead to insufficient funds to maintain the water supply infrastructure.

We also believe that the bill incentivizes larger customers to hold payment rather than enter into payment plans. Customers who use a large amount of water, but are unable to pay on time, would be incentivized to hold payment rather than enter into a payment plan. This creates an unfair burden on the City and other customers, as the unpaid amount must be borne by them. This would ultimately lead to more water rate increases in the future.

The burden of proof being shifted to the City is unfair. It will lead to increased administrative costs, which will ultimately be borne by the taxpayers. The bill will make it difficult for the City to collect late fees, which are necessary to ensure that the water supply infrastructure is maintained properly.

Furthermore, the City is already required to comply with state law regarding all applicable fees. We believe that there is no need for additional legislation that will only create more bureaucracy.

In conclusion, we respectfully request that you consider our concerns and oppose House Bill 2787. If you have any questions or would like to discuss this matter further, please do not hesitate to contact us.

Louise Sanchez

Self

Austin, TX

Municipalities overcharge as it is for deposits on water, the overcharge on fees is already insane