

## **BILL ANALYSIS**

S.B. 2692  
By: Hancock  
Natural Resources  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

The bill sponsor has informed the committee that, while current law allows customers outside the corporate limits of a municipality to appeal their water rates to the Public Utility Commission of Texas, the law does not distinguish between residential, commercial, or large-quantity water customers. The bill sponsor has also informed the committee that, while the appeal process requires the collection of a requisite number of signatures from the total number of these customers, a municipally owned utility may charge different rates to each class of these customers and that the appeal authority does not recognize that different classes of customers may be treated separately by such a utility. S.B. 2692 seeks to address this issue by providing for an appeal by ratepayers in the same customer class.

### **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 this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

S.B. 2692 amends the Water Code, with respect to an appeal to the Public Utility Commission of Texas (PUC) by ratepayers of specified entities of the decision of the governing body of such an entity affecting their water, drainage, or sewer rates, to authorize the petition for review that must be filed with the PUC and the entity providing service to be signed by, as an alternative to the lesser of 10,000 or 10 percent of those ratepayers whose rates have been changed and who are eligible to appeal, 10 percent of those ratepayers in the same customer class whose rates have been changed and who are eligible to appeal.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2025.