

BILL ANALYSIS

Senate Research Center

S.B. 2692
By: Hancock
Water, Agriculture and Rural Affairs
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current law allows customers outside city limits (OCL) to appeal their water rates to the Public Utility Commission (PUC); however, the law does not distinguish between residential, commercial, or large-quantity water customers. The appeal process requires the collection of signatures from 10 percent of the total number of OCL customers. While a municipal utility may charge different rates to each class of OCL customer, the ability to appeal does not recognize that different classes of customers may be treated separately by the municipal utility.

S.B. 2692 seeks to provide an additional avenue to appeal a water rate to the PUC by obtaining 10 percent of signatures from all the ratepayers within the same customer class.

As proposed, S.B. 2692 amends current law relating to the eligibility of ratepayers to file an appeal regarding water, drainage, or sewer rates with the Public Utility Commission of Texas.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 13.043(c), Water Code, to require that the petition for appeal under Subsection (b) (relating to authorizing ratepayers of certain entities to appeal the decision of the governing body of the entity affecting their rates to the Public Utility Commission of Texas) be signed by certain quantities of ratepayers, including 10 percent of ratepayers in a customer class whose rates have been changed and who are eligible to appeal under Subsection (b), and to make nonsubstantive changes.

SECTION 2. Effective date: upon passage or September 1, 2025.