

By: Walle

H.B. No. 1918

A BILL TO BE ENTITLED

AN ACT

relating to Class A water and sewer utility rate increases.

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

SECTION 1. Section 13.187, Water Code, is amended by amending Subsection (p) and adding Subsection (q) to read as follows:

(p) Except to implement a rate adjustment provision approved by the regulatory authority by rule or ordinance, as applicable, or to adjust the rates of a newly acquired utility system, a utility or two or more utilities under common control and ownership may not file a statement of intent to increase its rates more than once in a 36-month [~~12-month~~] period, unless the regulatory authority determines that a financial hardship exists. If the regulatory authority requires the utility to deliver a corrected statement of intent, the utility is not considered to be in violation of the 36-month [~~12-month~~] filing requirement.

(q) A rate change under this section may not result in a rate increase to any class or category of ratepayer of more than 20 percent.

SECTION 2. The changes in law made by this Act apply only to an application for a rate increase that is filed on or after the effective date of this Act. An application that is filed before the effective date of this Act is subject to the law in effect at that time, and that law is continued in effect for that purpose.

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1       SECTION 3.   This Act takes effect September 1, 2025.