

By: Nichols

S.B. No. 1413

A BILL TO BE ENTITLED

AN ACT

relating to the procedure for amending or revoking certificates of public convenience and necessity issued to certain water utilities.

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

SECTION 1. Section 13.2541, Water Code, is amended by amending Subsection (b) and adding Subsection (e-1) to read as follows:

(b) As an alternative to decertification or expedited release under Section 13.254, the owner of a tract of land that is at least 25 acres and that is not receiving water or sewer service may petition for expedited release of the area from a certificate of public convenience and necessity in the manner provided by this section and is entitled to that release if the landowner's property is located in a county with a population of at least 1.2 million, a county adjacent to a county with a population of at least 1.2 million, ~~or~~ a county with a population of more than 200,000 and less than 233,500 that does not contain a public or private university that had a total enrollment in the most recent fall semester of 40,000 or more, or a county adjacent to a county adjacent to a county with a population of at least 1.2 million ~~and not in a county that has a population of more than 50,500 and less than 52,000~~].

(e-1) A landowner that submits a petition under this section may agree to pay to the certificate holder that is the subject of

1 the petition under this section an amount equal to the amount
2 necessary to pay or defease a federal loan for a certificate holder
3 that is a borrower under a federal loan program. On request from
4 the petitioner, the certificate holder must provide the petitioner
5 with the amount necessary to pay or defease the federal loan. The
6 utility commission may issue an order to require the certificate
7 holder to accept a loan payment or defeasance under this section.

8 SECTION 2. The changes in law made by this Act apply only to
9 a proceeding affecting a certificate of public convenience and
10 necessity that commences on or after the effective date of this Act.
11 A proceeding affecting a certificate of public convenience and
12 necessity that commenced before the effective date of this Act is
13 governed by the law in effect on the date the proceeding is
14 commenced, and that law is continued in effect for that purpose.

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