

By: Creighton

S.B. No. 2701

A BILL TO BE ENTITLED

AN ACT

relating to rates established by municipalities for water or sewer service for certain entities.

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

SECTION 1. Subchapter [Z](#), Chapter [552](#), Local Government Code, is amended by adding Section 552.916 to read as follows:

Sec. 552.916. PROHIBITION ON RATE DISCRIMINATION. A municipality may not establish a rate for water or sewer utility service applicable only to entities that qualify for a sales tax or ad valorem tax exemption that is higher than a rate established for entities that receive comparable utility service.

SECTION 2. This Act takes effect September 1, 2025.