

By: Schwertner

S.B. No. 2872

A BILL TO BE ENTITLED

AN ACT

relating to connection reservation contracts.

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

SECTION 1. Section 49.001, Utilities Code, is amended to read as follows:

Sec. 49.001. DEFINITIONS. (a) As used in this chapter:

(1) "District" means any district or authority created by authority of either Sections 52(b)(1) and (2), Article III, or Section 59, Article XVI, Texas Constitution, regardless of how created. The term "district" shall not include any navigation district or port authority created under general or special law, any conservation and reclamation district created pursuant to Chapter 62, Acts of the 52nd Legislature, 1951 (Article 8280-141, Vernon's Texas Civil Statutes), or any conservation and reclamation district governed by Chapter 36 unless a special law creating the district or amending the law creating the district states that this chapter applies to that district.

(2) "Commission" means the Texas Natural Resource Conservation Commission.

(3) "Board" means the governing body of a district.

(4) "Executive director" means the executive director of the commission.

(5) "Water supply corporation" means a nonprofit water supply or sewer service corporation created or operating under

Chapter 67.

(6) "Director" means either a supervisor or director appointed or elected to the board.

(7) "Municipal solid waste" has the same meaning assigned by Section 361.003, Health and Safety Code.

(8) "Special water authority" means a river authority as that term is defined in Section 30.003, or a district created by a special Act of the legislature that:

(A) is a provider of water or wastewater service to two or more municipalities; and

(B) is governed by a board of directors appointed or designated in whole or in part by the governor, the Texas Water Development Board, or municipalities within its service area.

(9) "Potable water" means water that has been treated for public drinking water supply purposes.

(10) "District facility" means tangible real and personal property of the district, including any plant, equipment, means, recreational facility as defined by Section 49.462, or instrumentality owned, leased, operated, used, controlled, furnished, or supplied for, by, or in connection with the business or operations of a district. The term specifically includes a reservoir or easement of a district.

(11) "Connection" means a standardized measure of consumption, use, generation, or discharge attributable to an individual unit of development calculated in accordance with generally accepted engineering, or planning standards. Connections may be described in terms of single family equivalent connections,

1 living unit of equivalents, or any other generally accepted unit of
2 consumption typically attributable to a single family household.

3 SECTION 2. Subchapter A, Chapter 49, Utilities Code, is
4 amended by adding Section 49.2131 to read as follows:

5 Sec. 49.2131. CONTRACTS VALID AND ENFORCEABLE. (a) A
6 contract between an individual and a municipality or special
7 utility district created for the purpose of reserving a connection
8 must include an expiration date of the term of the connection.

9 (b) The term of a connection may not exceed 10 years from the
10 date the connection was reserved.

11 (c) Not less than 30 days before the expiration of the term
12 of the connection, the municipality or special utility district
13 must provide notice to the individual who is a party to the contract
14 of the connection's forthcoming expiration date.

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