

1-1 By: Perez, Guillen (Senate Sponsor - Rodríguez) H.B. No. 1083
1-2 (In the Senate - Received from the House April 24, 2017;
1-3 May 4, 2017, read first time and referred to Committee on
1-4 Agriculture, Water & Rural Affairs; May 17, 2017, reported
1-5 favorably by the following vote: Yeas 7, Nays 0; May 17, 2017,
1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	<u>Perry</u>	X		
1-10	<u>Rodríguez</u>	X		
1-11	<u>Creighton</u>	X		
1-12	<u>Hall</u>	X		
1-13	<u>Hinojosa</u>	X		
1-14	<u>Kolkhorst</u>	X		
1-15	<u>Miles</u>	X		

1-16 A BILL TO BE ENTITLED
1-17 AN ACT

1-18 relating to authorizing a regulatory authority to establish reduced
1-19 water utility rates funded by donations for the benefit of certain
1-20 elderly customers.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. Section 13.182, Water Code, is amended by
1-23 amending Subsection (b) and adding Subsection (b-1) to read as
1-24 follows:

1-25 (b) Except as provided by Subsection (b-1), rates may [Rates
1-26 shall] not be unreasonably preferential, prejudicial, or
1-27 discriminatory but shall be sufficient, equitable, and consistent
1-28 in application to each class of consumers.

1-29 (b-1) In establishing a utility's rates, the regulatory
1-30 authority may authorize the utility to establish reduced rates for
1-31 a minimal level of service to be provided solely to a class of
1-32 elderly customers 65 years of age or older to ensure that those
1-33 customers receive that level of service at more affordable rates.
1-34 The regulatory authority shall allow a utility to establish a fund
1-35 to receive donations to recover the costs of providing the reduced
1-36 rates. A utility may not recover those costs through charges to the
1-37 utility's other customer classes.

1-38 SECTION 2. Section 13.189, Water Code, is amended by adding
1-39 Subsection (c) to read as follows:

1-40 (c) For purposes of this section, a reduced rate authorized
1-41 under Section 13.182(b-1) does not:

1-42 (1) make or grant an unreasonable preference or
1-43 advantage to any corporation or person;

1-44 (2) subject a corporation or person to an unreasonable
1-45 prejudice or disadvantage; or

1-46 (3) constitute an unreasonable difference as to rates
1-47 of service between classes of service.

1-48 SECTION 3. (a) The changes in law made by this Act apply
1-49 only to proceedings before a regulatory authority regarding water
1-50 utility rates concerning an application filed on or after January
1-51 1, 2018. Proceedings before a regulatory authority regarding water
1-52 utility rates concerning an application filed before January 1,
1-53 2018, are governed by the law in effect when the application was
1-54 filed, and the former law is continued in effect for that purpose.

1-55 (b) The Public Utility Commission of Texas and other
1-56 regulatory authorities shall adopt rules as necessary to implement
1-57 the changes in law made by this Act not later than December 31,
1-58 2017.

1-59 SECTION 4. This Act takes effect September 1, 2017.

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