

By: Perez

H.B. No. 1506

A BILL TO BE ENTITLED

AN ACT

relating to authorizing a regulatory authority to establish reduced water and sewer utility rates funded by donations for the benefit of certain low-income customers.

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

SECTION 1. Section 13.182, Water Code, is amended by amending Subsection (b-1) and adding Subsection (b-2) to read as follows:

(b-1) In establishing a utility's rates, the regulatory authority may authorize the utility to establish reduced water and sewer rates for a minimal level of service to be provided solely to a class of ~~[elderly]~~ customers who are 65 years of age or older, who receive medical assistance under the medical assistance program established under Chapter 32, Human Resources Code, or who receive benefits under the supplemental nutrition assistance program established under Chapter 33, Human Resources Code, to ensure that those customers receive that level of service at more affordable rates. The regulatory authority may establish requirements for determining the eligibility of customers to receive reduced rates under this subsection.

(b-2) The regulatory authority shall allow a utility to establish a fund to receive donations to recover the costs of providing the reduced rates under Subsection (b-1). A utility may not recover those costs through charges to the utility's other

1 customer classes.

2 SECTION 2. (a) The changes in law made by this Act to
3 Section [13.182](#), Water Code, apply only to proceedings before a
4 regulatory authority regarding rates concerning an application
5 filed on or after January 1, 2020. Proceedings before a regulatory
6 authority regarding rates concerning an application filed before
7 January 1, 2020, are governed by the law in effect when the
8 application was filed, and the former law is continued in effect for
9 that purpose.

10 (b) The Public Utility Commission of Texas and other
11 regulatory authorities shall adopt rules as necessary to implement
12 the changes in law made by this Act not later than December 31,
13 2019.

14 SECTION 3. This Act takes effect September 1, 2019.