

BILL ANALYSIS

Senate Research Center
84R5254 JAM-F

H.B. 949
By: Lucio III (Perry)
Agriculture, Water & Rural Affairs
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

According to Section 16.0121(g), Water Code, a retail public utility providing potable water that receives financial assistance from the Texas Water Development Board (TWDB) is required to use a portion of that financial assistance, or any additional financial assistance provided by TWDB, to mitigate the utility's system water loss if, based on a water audit filed by the utility, the water loss meets or exceeds the threshold established by TWDB rule. Additionally, Section 16.0121(h) (relating to rules adopted by TWDB regarding categories of retail public utility), Water Code, states that TWDB shall adopt rules regarding: (1) the amount of system water loss that requires a utility to take action under Subsection (g); and (2) the use of financial assistance from TWDB as required by Subsection (g) to mitigate system water loss.

In 2014, TWDB adopted rules establishing water loss thresholds for retail public utilities providing potable water that apply for financial assistance from TWDB. In developing the thresholds for water loss and reviewing data from submitted water loss during the rulemaking process for H.B. 3605 (83rd Legislature, Regular Session, 2013), several utilities were identified as meeting or exceeding the thresholds. These utilities either had loans with TWDB that included addressing their water loss or had established a program to address water loss through their own operations. The current statute does not allow for any flexibility when a utility has already taken steps or is presently taking steps to mitigate its water loss.

While TWDB recognizes the importance of ensuring and assisting a utility to mitigate their water loss, it is also important to acknowledge existing programs that a utility may have in place and the steps it has taken to reduce water loss.

H.B. 949 amends current law relating to the obligation of certain retail public utilities to mitigate their system water loss.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 16.0121(g), Water Code, to authorize the Texas Water Development Board (TWDB), on the request of a retail public utility, to waive the requirements of this subsection if TWDB finds that the utility is satisfactorily addressing the utility's system water loss.

SECTION 2. Effective date: upon passage or September 1, 2015.