

BILL ANALYSIS

Senate Research Center

H.B. 2369
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Agriculture, Water & Rural Affairs
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, some municipalities charge school districts in excess of the rates they charge other similar entities for providing the same services, through a fee based on the number of students and/or employees in addition to charging them by the number of gallons used, as they do with other entities. H.B. 2369 will prevent municipal water services from charging school districts a fee that the utility does not charge commercial businesses that receive retail water or sewer utility service from the utility or a fee based on the number of district students or employees.

H.B. 2369 amends current law relating to municipal fees charged to public school districts for water and sewer service.

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. Sets forth legislative findings.

SECTION 2. Amends the heading to Section 13.044, Water Code, to read as follows:

Sec. 13.044. RATES CHARGED BY MUNICIPALITY TO CERTAIN SPECIAL DISTRICTS.

SECTION 3. Amends Subchapter C, Chapter 13, Water Code, by adding Section 13.0441, as follows:

Sec. 13.0441. FEES CHARGED BY MUNICIPALITY TO PUBLIC SCHOOL DISTRICTS. (a) Provides that this section applies only to fees charged by a municipality for water or sewer service to a public school district.

(b) Authorizes a public school district charged a fee that violates Section 13.088, notwithstanding the provisions of a resolution, ordinance, or agreement, to appeal the charge by filing a petition with the Public Utility Commission of Texas (PUC). Requires PUC to hear the appeal de novo, and provides that the municipality charging the fee has the burden of proof to establish that the fee complies with Section 13.088. Requires PUC to fix the fees to be charged by the municipality in accordance with this chapter (Water Rates and Services), including Section 13.088.

SECTION 4. Amends Subchapter D, Chapter 13, Water Code, by adding Section 13.088, as follows:

Sec. 13.088. MUNICIPAL FEES FOR PUBLIC SCHOOL DISTRICTS. Prohibits a municipally owned utility that provides retail water or sewer utility service to a public school district from charging the district a fee based on the number of district students or employees in addition to the rates the utility charges the district for the service.

SECTION 5. Effective date: upon passage or September 1, 2017.