

BILL ANALYSIS

C.S.H.B. 4246
By: Nevárez
Natural Resources
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Concerns have been raised regarding the dwelling unit base charges charged by a municipally owned utility for nonsubmetered master metered utility service, as the utility only has to read one master meter to determine the water usage and billing, regardless of the number of dwelling units within a dwelling. C.S.H.B. 4246 seeks to address these concerns and increase transparency and fairness by setting out provisions relating to such service provided by a municipally owned utility.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 4246 amends the Water Code to require each municipally owned utility that bills for nonsubmetered master metered utility service to make publicly available for each entity billed a statement that includes a current copy of the utility's rate structure applicable to the billed service and a list of fees and charges applicable to the billed service. This requirement does not authorize or require a municipally owned utility to make an entity's bill publicly available.

C.S.H.B. 4246 prohibits a municipally owned utility from charging a dwelling unit base charge for nonsubmetered master metered utility service and from imposing different per-meter base charges on residential and commercial customers. The bill authorizes a person to appeal a charge that does not comply with these prohibitions by filing a petition with the Public Utility Commission of Texas (PUC). The bill requires the PUC to hear the appeal de novo and establishes that the municipality charging the fee has the burden of proof to establish that the charge is in applicable compliance.

EFFECTIVE DATE

September 1, 2019.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 4246 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute specifies that the requirement for a municipally owned utility that bills for nonsubmetered master metered utility service to make certain information publicly available does not authorize or require a municipally owned utility to make an entity's bill publicly available.

The substitute does not cap the dwelling unit base charge that a municipally owned utility may charge for nonsubmetered master metered utility service at \$5 and instead prohibits such a utility from charging a dwelling unit base charge for such service. The substitute includes a prohibition against a municipally owned utility imposing different per-meter base charges on residential and commercial customers. The substitute does not include a provision requiring the PUC to set the fees to be charged by a municipality when a noncompliant charge is appealed.

The substitute does not include a provision prohibiting an owner, operator, or manager of an apartment house, manufactured home rental community, or multiple use facility who bills tenants for nonsubmetered master metered utility service from charging a dwelling unit base charge of more than \$5.