

SUBJECT: Prohibiting specific water districts from imposing certain fees on utilities

COMMITTEE: Natural Resources — favorable, without amendment

VOTE: 7 ayes — T. King, Harris, Kacal, Paul, Price, Walle, Wilson

0 nays

3 absent — Bowers, Larson, Ramos

1 present not voting — Lucio

SENATE VOTE: On final passage, May 6 — 30-0

WITNESSES: No public hearing.

BACKGROUND: Certain parties have suggested reducing burdensome costs that some water districts impose on water utilities attempting to service new developments within the district by prohibiting the districts from imposing unduly burdensome construction requirements or fees.

DIGEST: SB 1008 would prohibit certain water districts from imposing on a retail public utility that proposed to construct a water or sewer pipeline or associated infrastructure in the district's service area:

- requirements for constructing the pipeline that were unduly burdensome; or
- a fee that was greater than the actual, reasonable, and documented costs incurred by the district for review, legal services, engineering services, inspection, construction, and repair associated with the retail public utility construction and any other related costs.

The bill would apply only to a district whose territory was located wholly or partly in a county located on the Gulf of Mexico and an international border or a county adjacent to such a county.

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The bill would prevail over a special law governing a district.

The bill would take effect September 1, 2021.