

BILL ANALYSIS

Senate Research Center

H.B. 1406
By: Bosse (Brown)
Natural Resources
4-30-97
Committee Report (Amended)

DIGEST

Currently, nonprofit water districts are allowed to collect volunteer contributions from customers for surrounding emergency services. There are concerns that investor-owned water companies are mistakenly collecting voluntary contributions without having been granted specific authority. This bill allows investor-owned water districts to collect voluntary contributions for surrounding emergency services.

PURPOSE

As proposed, H.B. 1406 set forth the procedures for the collection of voluntary contribution on behalf of certain emergency services by utilities.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 13E, Water Code, by adding Section 13.143, as follows:

Sec. 13.143. VOLUNTARY CONTRIBUTIONS. Authorizes a utility to implement as part of its billing process a program under which the utility collects from its customers a voluntary contribution on behalf of a volunteer fire department or an emergency medical service. Requires a utility that collects contributions to provide each customer at certain times a written statement that contains certain information. Requires a billing by the utility that includes a voluntary contribution to clearly state that the contribution is voluntary and that it may be deducted from the billed amount. Requires the utility to promptly deliver contributions that it collects to the designated volunteer fire department or emergency medical service, but authorizes the utility to keep from the contribution a certain amount. Provides that the amounts collected under this section are not rates and are not subject to regulatory assessments, late payment penalties, or other utility-related fees and are not required to be shown in tariffs filed with the regulatory authority.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Emergency clause.
Effective date: upon passage.

SUMMARY OF COMMITTEE CHANGES

Amendment 1.

Page 2, line 13, insert the following language into Subsection (e):

(e)...rates are not subject to regulatory assessments, late payment penalties, or other utility-related fees and are not...