

## **BILL ANALYSIS**

Senate Research Center  
77R13685 E

H.B. 2404  
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Natural Resources  
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Engrossed

### **DIGEST AND PURPOSE**

Under current law, apartments can include water charges in the rent, and allocate water bills by dividing the charges among tenants by the number of occupants and/or square footage. H.B. 2404 requires an owner or manager of a new apartment house, manufactured home rental community, multiple use facility, or condominium to provide for the submetering of each unit and sets forth provisions regarding the installation of plumbing fixtures that meet water savings performance standards.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Texas Natural Resource Conservation Commission in SECTION 3 of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 13.502, Water Code, as followed:

- (b) Requires that, except as provided by Subsections (c) and (d), a manager of a condominium or the owner of an apartment house, manufactured home rental community, or multiple use facility, on which construction begins after January 1, 2003, to provide for the measurement of the quantity of water, if any, consumed by the occupants of each unit through the installation of submeters, owned by the property owner or manager, for each dwelling unit or rental unit or individual meters, owned by the retail public utility, for each dwelling unit or rental unit.
- (c) Requires that an owner of an apartment house on which construction begins after January 1, 2003, and which provides government assisted or subsidized rental housing to low or very low income residents to install a plumbing system in the apartment house that is compatible with the installation of submeters for the measurement of the quantity of water, if any, consumed by the occupants of each unit.
- (d) Requires a retail public facility, on request by the property owner or manager, a retail public utility to install individual meters owned by the utility in an apartment house, manufactured home rental community, multiple use facility, or condominium on which construction begins after January 1, 2003, unless the retail public utility determines that installation of meters is not feasible. Requires that, if the retail public utility determines that installation of meters is not feasible, the property owner or manager to install a plumbing system that is compatible with the installation of submeters or individual meters. Authorizes a retail public utility to charge reasonable costs to install individual meters.
- (e) Prohibits an owner of an apartment house, manufactured home rental community, or multiple use facility or a manager of a condominium from changing from submetered billing to allocated billing unless certain conditions are met.

SECTION 2. Amends Chapter 13M, Water Code, by adding Section 13.506 as follows:

Sec. 13.506. PLUMBING FIXTURES. (a) Requires that, after January 1, 2003, before an owner of an apartment house, manufactured home rental community, or multiple use facility or a manager of a condominium may implement a program to bill tenants for submetered or allocated water service, the owner or manager to meet the standards prescribed by Section 372.002, Health and Safety Code, for sink or lavatory faucets, faucet aerators, and showerheads and perform a water leak audit of each dwelling unit or rental unit and each common area and repair any leaks found.

(b) Requires the owner or manager, not later than the first anniversary of the date an owner of an apartment house, manufactured home rental community, or multiple use facility or a manager of a condominium begins to bill for submetered or allocated water service, to remove any toilets that exceed a maximum flow of 3.5 gallons of water per flushing and install 1.6-gallon toilets that meet the standards prescribed by Section 372.002, Health and Safety Code.

(c) Provides that Subsections (a) and (b) do not apply to a manufactured home rental community owner who does not own the manufactured homes located on the property of the manufactured home rental community.

SECTION 3. (a) Effective date: September 1, 2001.

(b) Requires The Texas Natural Resource Conservation Commission to enact rules to implement Section 13.506, Water Code, as added by this Act, and the changes in law made by this Act to Section 13.502, Water Code, not later than September 1, 2002.