

BILL ANALYSIS

Senate Research Center

H.B. 1152
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Natural Resources
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Engrossed

DIGEST AND PURPOSE

Population and water demand projections in the 2002 State Water Plan indicate that 43 percent of the demand for drinking water in 2050 will not be met during a drought of record with current supplies. Conservation of water use is an important strategy in meeting the state's future water needs, including reducing customer water demand. Water supply districts and municipalities, as governmental entities, have the power to enact mandatory customer water use practices such as lawn watering rotations and prohibition of wasteful water use practices. For example, a water supply district or municipality can prohibit the practice of watering lawns to the point the water runs off the property and down the street. However, nonprofit water supply corporations do not have such authority. H.B. 1152 amends the Texas Water Code to provide nonprofit water supply corporations the statutory authority to enforce reasonable customer water conservation practices and to prohibit wasteful or excessive water use by allowing the assessment of reasonable penalties. These penalties could be reviewed by the Texas Commission on Environmental Quality (TCEQ) to ensure that they are reasonable.

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. Amends Section 67.011, Water Code, as follows:

- (a) Adds establishing and enforcing reasonable customer water conservation practices and prohibiting excessive or wasteful uses of potable water to the list of actions a corporation may take in a county with a population of less than 3.3 million.
- (b) Authorizes a corporation to enforce customer water conservation practices under Subsection (a)(5) by assessing reasonable penalties as provided in the corporation's tariff. Authorizes a penalty to be appealed in the same manner as provided for appeal of new customer service costs under Section 13.043(g). Requires the Texas Commission on Environmental Quality (TCEQ), in an appeal, to approve a corporation's penalty if TCEQ determines that the penalty is clearly stated in the tariff, that the penalty is reasonable, and that the corporation has deposited the penalty in a separate account dedicated to enhancing water supply for the benefit of all the corporation's customers.

SECTION 2. Effective date: upon passage or September 1, 2003.