

## **BILL ANALYSIS**

Senate Research Center  
78R17686 JJT-F

C.S.H.B. 3034  
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Business & Commerce  
5/23/2003  
Committee Report (Substituted)

### **DIGEST AND PURPOSE**

The 77th Texas Legislature incorporated language into S.B. 2 which prohibited the consolidation of more than one private water system under a single rate unless certain conditions applied, and set forth provisions regarding factors and costs to be considered in setting rates and the proceedings related to complaints of utility rate changes. In implementing the legislation, the Texas Commission on Environmental Quality (TCEQ) requested clarification regarding the applicability clause of the legislation. C.S.H.B. 3034 clarifies that the legislative intent was for the legislation to apply to all private water companies with a rate proceeding in which TCEQ had not issued a final order.

### **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. (a) Amends Section 10.08(a), Chapter 966, Acts of the 77th Legislature, Regular Session, 2001, as follows:

(a) Provides that the changes in law made by this article to Chapter 13, Water Code, apply to a proceeding in which the Texas Commission on Environmental Quality has not issued a final order before the effective date of this article; provided, however, that this article does not apply to a public utility that provided utility service in only 24 counties on January 1, 2003. Provides that the provisions of Chapter 13, Water Code, that were in effect before September 1, 2001, apply to those public utilities. Deletes text relating to the application of this Act to a retail public utility. Deletes text requiring this subsection to not be construed to permit a public utility to increase rates without obtaining the approval of the Texas Natural Resource Conservation Commission.

(b) Provides that the change in law made by this Act is a clarification of existing law and does not imply that existing law may be construed as being inconsistent with the law as amended by this Act.

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