

SUBJECT: Allowing certain utilities to establish a low-income assistance program

COMMITTEE: State Affairs — favorable, without amendment

VOTE: 13 ayes — Phelan, Hernandez, Deshotel, Guerra, Harless, Holland,  
Hunter, P. King, Parker, Raymond, E. Rodriguez, Smithee, Springer

0 nays

WITNESSES: For — Lisa Rosendorf, El Paso Water; (*Registered, but did not testify*:  
Guadalupe Cuellar, City of El Paso; Claudia Russell, El Paso County;  
Adrian Shelley, Public Citizen; Cyrus Reed, Sierra Club Lone Star  
Chapter; Michael Barba, Texas Catholic Conference of Bishops)

Against — (*Registered, but did not testify*: Cary Cheshire, Texans for  
Fiscal Responsibility)

DIGEST: HB 382 would allow the board of trustees of a municipally owned utility  
in a county with a population of at least 800,000 that is located on an  
international border (El Paso County) to establish a bill payment  
assistance program for customers who have exhausted all private and  
nonprofit sources of utility assistance. The program would have to apply  
to customers who received notice of service disconnection for  
nonpayment of bills or who were determined to be low-income customers  
by the utility.

The bill would take immediate effect if finally passed by a two-thirds  
record vote of the membership of each house. Otherwise, it would take  
effect September 1, 2019.

SUPPORTERS  
SAY: HB 382 would authorize a municipally owned water utility in El Paso to  
create a bill payment assistance program for customers, similar to  
programs implemented by several other utilities around the state. The  
program is supported by local entities and would help veterans, disabled  
residents, low-income households, and other disadvantaged customers by  
providing financial counseling, agency referrals, and limited payment

assistance. The program also would encourage customers to participate in water conservation initiatives.

The utility would not increase rates or fees to pay for this program, but rather would partner with a nonprofit and accept donations to cover costs. The bill would allow the utility to provide bill assistance only to customers who exhausted both nonprofit and private sources of assistance. Any funding from the utility would be minimal because the program would apply to about 400 customers per year and would establish a cap on the amount of available bill assistance.

**OPPONENTS  
SAY:**

HB 382 would allow certain municipally owned utilities to use funds from their budgets to subsidize costs for low-income customers. This essentially would permit these utilities to require some ratepayers to pay higher rates to pay the bills of a separate class of ratepayers.