Texas Apartment Association

Providing exceptional advocacy, education and communication for the Texas rental housing industry.

Support HB 1964 by Murphy and SB 873 by Creighton: Clarifying the Water Billing Complaint Process for Renters

Legislation is needed to limit class action lawsuits against landlords for minor or technical water billing disputes that could be handled faster and more efficiently through the Public Utility Commission (PUC) consumer complaint process.

- Landlords often bill tenants for water usage to help limit consumption and promote conservation. This process is governed by the PUC.
- Tenants have extensive protections under the law, including notification before signing leases, required leak audits, repairs and installation of water-efficient devices. Landlords may not profit off water bills.

The PUC has an extensive investigation process to resolve alleged violations and billing errors. Despite this dispute resolution process, some have chosen to pursue costly and time-consuming class action lawsuits.

- This bill does not change the consumer protections provided for tenants, but requires the person claiming the violation to go through the PUC before filing a lawsuit — limiting litigation for minor or technical violations.

The legislation clarifies the water billing complaint process in the following ways:

- Clarifies the dispute process by requiring tenants to go to the PUC before going to court. Following the completion of the PUC process, tenants who have been overcharged may pursue civil remedies in court if they are not satisfied with the PUC's decision. Penalties and recovery of attorney's fees would continue to be governed by the Water Code.
- Clarifies that landlords may charge fees for services unrelated to a water bill, and that enforcement actions must be taken against the landlord rather than the property management company.
- Creates a safe harbor that assumes retrofit and leak audit requirements have been fulfilled if a prior landlord had previously allocated water bills.

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