

**CHAPTER 296**

H.B. No. 690

**AN ACT**

relating to collection by a water or sewer service corporation of voluntary contributions on behalf of certain emergency services.

*Be it enacted by the Legislature of the State of Texas:*

SECTION 1. Chapter 76, Acts of the 43rd Legislature, 1st Called Session, 1933 (Article 1434a, Vernon's Texas Civil Statutes), is amended by adding Section 4A to read as follows:

*Sec. 4A. (a) A corporation may implement as part of its billing process a program under which the corporation collects from its customers voluntary contributions on behalf of a volunteer fire department or an emergency medical service. In this section, "voluntary contribution" includes a voluntary membership or subscription fee.*

*(b) A corporation that collects contributions under this section shall provide each customer at the time that the customer first subscribes to the water or sewer service, and at least annually thereafter, a written statement:*

*(1) describing the procedure by which the customer may make a contribution with the customer's bill payment;*

*(2) designating the volunteer fire department or emergency medical service to which the corporation will deliver the contribution;*

*(3) informing the customer that a contribution is voluntary; and*

*(4) describing the deductibility status of the contribution under federal income tax law.*

*(c) Any billing by the corporation that includes a voluntary contribution under this section must clearly state that the contribution is voluntary and that it may be deducted from the billed amount.*

*(d) The corporation shall promptly deliver contributions that it collects under this section to the volunteer fire department or emergency medical service designated in the statement required by Subsection (b) of this section, except that the corporation may keep from the contributions an amount equal to the smaller of:*

*(1) the corporation's expenses in administering the contribution program; or*

*(2) five percent of the amount collected as contributions.*

SECTION 2. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

Passed by the House on April 15, 1993, by a non-record vote; passed by the Senate on May 14, 1993: Yeas 29, Nays 0.

Approved May 27, 1993.

Effective Aug. 30, 1993, 90 days after date of adjournment.