

**ORDINANCE NO. 4000**



**AN ORDINANCE OF THE CITY OF FARMERS BRANCH, TEXAS, AMENDING THE CODE OF ORDINANCES, CITY OF FARMERS BRANCH, TEXAS, BY AMENDING SECTION 86-302 OF DIVISION 2 (“BILLING PROCEDURE”) OF ARTICLE IV (“SERVICE RATES AND BILLING PROCEDURE”) OF CHAPTER 86 (“UTILITIES”) TO AUTHORIZE THE IMPOSITION OF LIENS AGAINST PROPERTY FOR DELINQUENT BILLS FOR UTILITY SERVICE TO THE PROPERTY; PROVIDING A REPEALING CLAUSE; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE**

**WHEREAS**, Section 552.0025 of the Texas Local Government Code provides that a municipality may impose a lien against an owner’s property for delinquent municipal utility bills as a means of recovering past due charges for utility service; and

**WHEREAS**, the City Council, cognizant of its responsibility to be proper stewards of public funds, finds that the inability to collect and recover delinquent utility bills unfairly imposes a higher financial burden on other City residents and users of the City’s utility system, because unrecovered delinquent charges cause rate increases to cover the unrecovered charges; and

**WHEREAS**, the Legislature and the Constitution of the State of Texas has conferred upon local governments the authority to adopt regulations designed to promote the public health, safety, and general welfare of its citizenry; and

**WHEREAS**, the City Council finds and determines that the imposition of liens on property for delinquent utility charges, under the parameters authorized by state law, will improve the collectability of past due charges, will lessen the need for higher rate increases, and is in the interest of the citizens of the City.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, THAT:**

**SECTION 1:** The Code of Ordinances, City of Farmers Branch, Texas, be and is hereby amended to amend Section 86-302 of Division 2 (“Billing Procedure”) of Article IV (“Service Rates and Billing Procedure”) of Chapter 86 (“Utilities”), by renaming the section, by renumbering the existing provisions as subsection (a), and by adding subsections (b), (c), and (d), such that Section 86-302 shall read as follows:

**“CHAPTER 86  
UTILITIES**

...

**ARTICLE IV  
SERVICE RATES AND BILLING PROCEDURE**

...

**DIVISION 2. - BILLING PROCEDURE.**

...

**Sec. 86-302. – Failure to pay rates and charges; disconnection; service charge; lien.**

- (a) If any user or customer of such service does not pay the rates and charges within 30 days of the mailing date and a bill has been rendered for the following month's rates and charges together with those for the preceding month, the entire amount due for the two months shall be paid within 15 days of the date the second bill was mailed. Failure to pay the entire bill within this 15-day period or to make satisfactory arrangements with the finance department for its payment will subject the service in question to be disconnected without further notice. After this period, there shall be charged and collected a service charge as established by the city and listed in appendix A of this Code.
- (b) When delinquent charges imposed for utility services remain unpaid, the City may impose a lien against the real property to which the service was delivered. The lien shall include and secure the delinquent charges for all utility services provided by the city, together with penalties, interest, and collection costs, which shall include administrative fees. The city manager or designee shall perfect the lien by filing a notice of lien containing a legal description of the property, the appropriate utility account number, and a detail of the delinquent charges in the real property records of Dallas County, Texas.
- (c) The lien authorized by this section shall not apply to and shall not be filed against homestead property protected by the Texas Constitution. The lien shall not apply to bills for service connected in a tenant's name after notice by the property owner to the city that the property is rental property. The lien shall not apply to bills for service connected in a tenant's name prior to April 21, 2026.
- (d) The lien is inferior to a bona fide mortgage lien that is recorded before the recording of the city's lien in the real property records of Dallas County. The lien is superior to all other liens, including previously recorded judgment liens and any liens recorded after the city's lien."

**SECTION 2.** All provisions of the Ordinances of the City of Farmers Branch, Texas, in conflict with the provisions of this ordinance be and are hereby repealed and all other provisions of the ordinances of the City of Farmers Branch, Texas, not in conflict with the provisions of this ordinance shall remain in full force and effect.

**SECTION 3.** Should any sentence, paragraph, subdivision, clause, phrase, or section of this ordinance or the Code of Ordinances, as amended hereby, be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this ordinance or the

Code of Ordinances as a whole, or any part or provision thereof, other than the part declared to be invalid, illegal, or unconstitutional.

**SECTION 4.** This ordinance shall take effect immediately from and after its passage and the publication of its caption, as the law and Charter in such cases provide.

**DULY PASSED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, ON THIS THE 21<sup>ST</sup> DAY OF APRIL, 2026.**

**APPROVED:**

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Terry Lynne, Mayor

**ATTEST:**

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Stacy Henderson, Interim City Secretary

**APPROVED AS TO FORM:**

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David Berman, City Attorney  
(DB 3.7.26)