

By: Turner

H.B. No. 2463

A BILL TO BE ENTITLED

AN ACT

relating to the regulation of certain telecommunications and electric service providers and the enforcement of certain penalties.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 15, Utilities Code, is amended by adding Sections 15.034, 15.035, and 15.036 to read as follows:

Sec. 15.034. CERTAIN FINES PAID TO CUSTOMER. (a) The commission by rule shall establish a procedure by which, if the commission determines that a person regulated under this title has violated Section 17.004 or 39.101, the person must credit to the account of the customer who was the subject of the violation a minimum fine of \$50 for each violation.

(b) At a minimum, the procedure adopted by rule under Subsection (a) shall include:

(1) different amounts of fines based on:  
(A) the seriousness of the violation; and  
(B) the number of times a person has committed a violation; and

(2) a requirement that a person regulated under this title shall report to the commission twice a year the number of fines paid under this section.

Sec. 15.035. ADDITIONAL ADMINISTRATIVE PENALTY. (a) In

1 addition to an administrative penalty provided by this subchapter,  
2 the commission may impose an additional administrative penalty on a  
3 person regulated under this title who commits more than a certain  
4 number of violations of this title, as determined by commission  
5 rule.

6 (b) The commission shall determine by rule:

7 (1) the number of violations necessary for the  
8 imposition of an additional penalty under this section by reviewing  
9 complaint information:

10 (A) collected by the commission; and

11 (B) reported by the industry; and

12 (2) different penalty amounts based on the number of  
13 violations committed by a person.

14 (c) Of any amount collected under this section:

15 (1) 50 percent shall be sent to the comptroller to be  
16 deposited to the credit of the general revenue fund; and

17 (2) 50 percent shall be deposited to the credit of a  
18 special account in the general revenue fund that may be  
19 appropriated only to the commission for use in the performance of  
20 the commission's duties under this chapter.

21 Sec. 15.036. REVIEW OF FINES AND PENALTIES. (a) Beginning  
22 in 2007, the commission shall review the amount of fines and  
23 penalties imposed under this chapter during the preceding  
24 three-year period to determine if the amounts are sufficient to  
25 secure compliance with this title and reduce customer complaints.

26 (b) If the commission determines after a review that fine  
27 and penalty amounts are insufficient, the commission may:

1           (1) raise the maximum administrative penalty amount  
2 under Section 15.023 to \$25,000, notwithstanding Section  
3 15.024(b); or

4           (2) conduct administrative penalty assessment  
5 hearings, notwithstanding Section 14.053.

6           SECTION 2. Section 17.004, Utilities Code, is amended by  
7 amending Subsection (a) and by adding Subsection (h) to read as  
8 follows:

9           (a) All buyers of telecommunications and retail electric  
10 services are entitled to:

11               (1) protection from fraudulent, unfair, misleading,  
12 deceptive, or anticompetitive practices, including protection from  
13 being billed for services that were not authorized or provided;

14               (2) choice of a telecommunications service provider, a  
15 retail electric provider, or an electric utility, where that choice  
16 is permitted by law, and to have that choice honored;

17               (3) information in English and Spanish and any other  
18 language as the commission deems necessary concerning rates, key  
19 terms and conditions, and the basis for any claim of environmental  
20 benefits of certain production facilities;

21               (4) protection from discrimination on the basis of  
22 race, color, sex, nationality, religion, marital status, income  
23 level, credit history, credit score, or source of income and from  
24 unreasonable discrimination on the basis of geographic location;

25               (5) impartial and prompt resolution of disputes with a  
26 certificated telecommunications utility, a retail electric  
27 provider, or an electric utility and disputes with a

telecommunications service provider related to unauthorized charges and switching of service;

(6) privacy of customer consumption and credit information;

(7) accuracy of metering and billing;

(8) bills presented in a clear, readable format and easy-to-understand language;

(9) information in English and Spanish and any other language as the commission deems necessary concerning low-income assistance programs and deferred payment plans;

(10) all consumer protections and disclosures established by the Fair Credit Reporting Act (15 U.S.C. Section 1681 et seq.) and the Truth in Lending Act (15 U.S.C. Section 1601 et seq.); and

(11) after retail competition begins as authorized by the legislature, programs provided by retail electric providers that offer eligible low-income customers energy efficiency programs, an affordable rate package, and bill payment assistance programs designed to reduce uncollectible accounts.

(h) In this section:

(1) "Credit history" means information regarding an individual's past history of:

(A) financial responsibility;

(B) payment habits; or

(C) creditworthiness.

(2) "Credit score" means a score, grade, or value that is derived by using data from a credit history in any type of model,

1 method, or program for the purpose of grading or ranking credit  
2 report data, whether derived electronically, from an algorithm,  
3 through a computer software application model or program, or  
4 through any other analogous process.

5       SECTION 3. This Act takes effect September 1, 2003.