BILL ANALYSIS

Senate Research Center

S.B. 485 By: Fraser and West, Royce Business & Commerce 2/16/2007 As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, the Public Utility Regulatory Act (PURA) permits money in the system benefit fund (SBF) to be appropriated for the purposes provided by Chapter 39 of PURA or other law, requires the Public Utility Commission of Texas (PUC) to set the revenue requirements and nonbypassable fees on a yearly basis, and sets forth the purposes for which the SBF is to be used.

As proposed, S.B. 485 prohibits the SBF from being used for any purpose except those outlined in Chapter 39 of PURA and authorizes PUC to set nonbypassable fees at an amount sufficient to ensure funding is available for those purposes.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 39.903(a) and (d), Utilities Code, as follows:

(a) Authorizes money in the system benefit fund to be appropriated only for the purposes provided under this section. Deletes existing text authorizing money to be appropriated for the purposes of other law.

(d) Requires the Public Utility Commission of Texas to set the proposed nonbypassable fees at an amount sufficient to ensure that funding and cash flow are available for the purposes for which funds have been appropriated.

SECTION 2. Effective date: upon passage or September 1, 2007.