

By: Turner of Harris

H.B. No. 2306

A BILL TO BE ENTITLED

AN ACT

relating to the use of a customer's utility bill payment data.

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

SECTION 1. Section 17.008, Utilities Code, is amended to read as follows:

Sec. 17.008. PROTECTION OF RESIDENTIAL ELECTRIC SERVICE APPLICANTS AND CUSTOMERS. (a) In this section and in Section 17.009:

(1) "Credit history":

(A) means information regarding an individual's past history of:

(i) financial responsibility;

(ii) payment habits; or

(iii) creditworthiness; and

(B) does not include an individual's outstanding balance for retail electric or telecommunications service.

(2) "Credit score" means a score, grade, or value that is derived by a consumer reporting agency, as defined under Section 603(f) of the Fair Credit Reporting Act (15 U.S.C. Section 1681a(f)), using data from a credit history in any type of model, method, or program for the purpose of grading or ranking credit report data, whether derived electronically, from an algorithm, through a computer software application model or program, or through any other analogous process.

1 (3) "Utility payment data" means a measure that is
2 derived by a consumer reporting agency, as defined under Section
3 603(f) of the Fair Credit Reporting Act (15 U.S.C. Section
4 1681a(f)), from a model specifically designed to correlate to
5 utility payment histories.

6 (b) A retail electric provider may not deny an applicant's
7 request to become a residential electric service customer, or deny
8 a customer's right to choose a retail electric provider and have
9 that choice honored or restricted, on the basis of the applicant's
10 credit history, ~~[or] credit score, [but may use the applicant's]~~
11 utility payment data, or electric bill payment history; provided,
12 however, that a retail electric provider may require an applicant
13 to pay a deposit and any unpaid balance the applicant has from
14 previous service with that provider ~~[until the later of January 1,~~
15 ~~2007, or the date on which the price to beat is no longer in effect~~
16 ~~in the geographic area in which the customer is located]~~.

17 (c) ~~[Notwithstanding Subsection (b), while a retail~~
18 ~~electric provider is required to provide service to a geographic~~
19 ~~area as the affiliated retail electric provider, the provider may~~
20 ~~not deny an applicant's request to become a residential electric~~
21 ~~service customer within that geographic area on the basis of the~~
22 ~~applicant's credit history, credit score, or utility payment data.~~

23 ~~[(d) After the date described in Subsection (b), a retail~~
24 ~~electric provider, including an affiliated retail electric~~
25 ~~provider, may not deny an applicant's request to become a~~
26 ~~residential electric service customer on the basis of the~~
27 ~~applicant's credit history, credit score, or utility payment data~~

1 ~~but may use the applicant's electric bill payment history.]~~

2 ~~[(e)]~~ A retail electric provider may not use a credit score,
3 a credit history, or utility payment data as the basis for
4 determining the price for month-to-month electric service or
5 electric service that includes a fixed price commitment of 12
6 months or less:

7 (1) for an existing residential customer; or

8 (2) in response to an applicant's request to become a
9 residential electric service customer.

10 (d) ~~A [(f)] After the date described in Subsection (b), on~~
11 ~~request by a customer or former customer in this state, a]~~ retail
12 electric provider or electric utility shall timely provide to the
13 customer or former customer bill payment history information with
14 the retail electric provider or electric utility during the
15 preceding 12-month period. Bill payment history information may be
16 obtained by the customer or former customer once during each
17 12-month period without charge. If additional copies of bill
18 payment history information are requested during a 12-month period,
19 the electric service provider may charge the customer or former
20 customer a reasonable fee for each copy.

21 (e) ~~[(g)]~~ On request by a retail electric provider, another
22 retail electric provider or electric utility shall timely verify
23 information that purports to show a customer's service and bill
24 payment history with the retail electric provider or electric
25 utility.

26 (f) ~~[(h)]~~ This section does not limit a retail electric
27 provider's authority to require a deposit or advance payment as a

1 condition of service.

2 (g) [~~(i)~~] Notwithstanding Subsection (c) [~~(e)~~], a retail
3 electric provider may provide rewards, benefits, or credits to
4 residential electric service customers on the basis of the
5 customer's payment history for retail electric service to that
6 provider.

7 SECTION 2. This Act takes effect September 1, 2009.