

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 10, 2017

TO: Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB1976 by Whitmire (Relating to the eligibility process for customer service benefits.),
As Introduced

Estimated Two-year Net Impact to General Revenue Related Funds for SB1976, As Introduced: a negative impact of (\$120,000) through the biennium ending August 31, 2019.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2018	(\$60,000)
2019	(\$60,000)
2020	(\$60,000)
2021	(\$60,000)
2022	(\$60,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund
	1
2018	(\$60,000)
2019	(\$60,000)
2020	(\$60,000)
2021	(\$60,000)
2022	(\$60,000)

Fiscal Analysis

The bill would amend the Utilities Code relating to the eligibility process for customer service benefits. The bill requires the Health and Human Services Commission (HHSC), on request of the Public Utility Commission (PUC), to assist in identification of low-income customers to retail electric providers and certified telecommunications utilities to enable the providers to offer those

customers various forms of financial assistance.

The bill requires HHSC and PUC to continue the memorandum of understanding in effect on January 1, 2017 that outlines their respective duties, and allows the agencies to amend the memorandum of understanding as necessary.

The bill prohibits PUC from requiring providers to offer discounts, financial assistance, or other benefits for which the provider is not reimbursed.

Methodology

The program specified in the bill currently exists under Sections 39.903(e)(5) and 55.015(b) of the Utilities Code; however the identification of low-income electric customers is funded at PUC by the System Benefit Fund under Section 39.903 of the Utilities Code. The provisions under this section of code are set to expire at the end of fiscal year 2017.

According to PUC, the identification of eligible electric customers requires a vendor to match the list of low-income individuals provided by HHSC with a list of electric customers. To continue implementing the automatic process to match these individuals as specified in the provisions of the bill, PUC estimates a cost to General Revenue annually of \$60,000.

Based on the analysis of the Health and Human Services Commission, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 473 Public Utility Commission of Texas, 529 Health and Human Services Commission

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