

## **BILL ANALYSIS**

Senate Research Center  
87R5946 CXP-F

S.B. 1262  
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Business & Commerce  
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As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

S.B. 1262 would ensure homeowners, builders, and business owners have access to balanced energy solutions that are efficient, affordable, and clean. Although no cities or towns in Texas have banned any energy sources, there has been a growing trend in other states to do so. Currently, cities in Texas are working on ordinances, or issuing permits, that would make certain utilities more expensive, or outright looking to ban different energy sources. This approach is politically motivated and deeply flawed.

S.B. 1262 will prevent cities and counties in Texas from banning different types of utility services. This will help to preserve the rights of Texans to have access to energy choices. The bill prevents political subdivisions from discriminating against different utilities in issuing building permits and making zoning decisions. More specifically, S.B. 1262 will not allow political subdivisions to pass codes, impose fines, or create ordinances that could have the effect of restricting a person's or entity's ability to use the services of a utility provider.

As proposed, S.B. 1262 amends current law relating to a restriction on the regulation of utility services and infrastructure based on the energy source to be used or delivered.

### **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 Subchapter Z, Chapter 181, Utilities Code, by adding Section 181.903, as follows:

Sec. 181.903. RESTRICTION ON REGULATION OF UTILITY SERVICES AND INFRASTRUCTURE. (a) Defines "regulatory authority" and "utility."

(b) Prohibits any regulatory authority, planning authority, or political subdivision of this state from adopting or enforcing an ordinance, resolution, regulation, code, order, policy, or other measure that has the purpose, intent, or effect of directly or indirectly banning, limiting, restricting, discriminating against, or prohibiting the connection or reconnection of a utility service or the construction, maintenance, or installation of residential, commercial, or other public or private infrastructure for a utility service based on the type or source of energy to be delivered to the end-use customer.

(c) Prohibits an entity, including a regulatory authority, planning authority, political subdivision, or utility, from imposing any additional charge or pricing difference on a development or building permit applicant for utility infrastructure that encourages those constructing homes, buildings, or other structural improvements to connect to a utility service based on the type or source of energy to be delivered to the end-use customer, or that discourages the installation of facilities for the delivery of or use of a utility service based on the type or source of energy to be delivered to the end-use customer.

(d) Provides that this section does not limit the ability of a regulatory authority or political subdivision to choose utility services for properties owned by the regulatory authority or political subdivision.

SECTION 2. Effective date: upon passage or September 1, 2021.