

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 2250
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Business & Commerce
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Some retail sellers of solar panels are asking buyers to execute a certificate of completion before the installation is complete or working properly. The buyers often do not have the expertise to know the difference, but once they sign, the buyers may be left responsible for fixing any problems that arise. This can lead to incomplete or faulty installations and leaves consumers without recourse. What's more, faulty solar panel installations can lead to electrical and thermal issues, increasing the risk of fires. Currently, however, companies that sell solar panels are not required to ensure the installed panels pass the relevant code enforcement inspection.

Generally, S.B. 2250 would prohibit entities that sell solar panels from requiring buyers to sign a certificate of completion unless the solar panels are working properly and have passed the building code inspection relevant to the buyer's property. This would ensure that buyers receive a high-quality product that meets safety and building code standards. Accordingly, it would enhance consumer protection for the increasing number of Texans who purchase residential solar panels.

C.S.S.B. 2250 would void a certificate for completion of a solar panel if the solar panel installation fails code inspection within one year of the certificate being signed.

C.S.S.B. 2250 amends current law relating to the execution of a certificate of completion for the purchase of solar panels under a retail installment contract.

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 B, Chapter 345, Finance Code, by adding Section 345.0811, as follows:

Sec. 345.0811. CERTIFICATE OF COMPLETION FOR SOLAR PANEL RETAIL INSTALLMENT CONTRACT. (a) Prohibits a retail seller of solar panels from requiring a retail buyer to execute a certificate unless the solar panels are fully operational and pass the building code inspection applicable to the retail buyer's property.

(b) Provides that a certificate executed under Subsection (a) is void if the covered solar panel installation fails a building code inspection before the first anniversary of the date the certificate was signed by the retail buyer.

(c) Requires that a certificate rendered void under Subsection (b), notwithstanding Section 345.081(f) (relating to providing that a retail buyer's failure or refusal to execute a certificate, without good cause, does not affect the validity of the retail installment contract), entitle the retail buyer to deferment of installment under Section 345.069 (Deferment of Installment) until the retail seller remedies the certificate.

SECTION 2. Effective date: September 1, 2023.