

By: Hernandez

H.B. No. 3078

A BILL TO BE ENTITLED

AN ACT

relating to a program to provide assistance for certain retail electric customers.

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

SECTION 1. Section 17.007, Utilities Code, is amended by amending Subsection (a) and adding Subsection (e) to read as follows:

(a) The Health and Human Services Commission, on request of the commission, shall assist in:

(1) developing an automatic process for identifying low-income customers to retail electric providers and certificated telecommunications utilities to enable those providers and utilities to offer customer service, discounts, bill payment assistance, or other methods of assistance; and

(2) implementing Section 39.9035(i).

(e) Subsection (d) does not apply in a fiscal biennium in which money is available under Section 39.9035 for the process established by this section.

SECTION 2. Section 39.002, Utilities Code, as amended by Chapters 908 (H.B. 4492) and 950 (S.B. 1580), Acts of the 87th Legislature, Regular Session, 2021, is reenacted and amended to read as follows:

Sec. 39.002. APPLICABILITY. This chapter, other than Sections 39.151, 39.1516, 39.155, 39.157(e), 39.159, 39.160,

1 39.203, 39.9035, 39.904, 39.9051, 39.9052, and 39.914(e), and
2 Subchapters M and N, does not apply to a municipally owned utility
3 or an electric cooperative. Sections 39.157(e), 39.203, and
4 39.904, however, apply only to a municipally owned utility or an
5 electric cooperative that is offering customer choice. If there is
6 a conflict between the specific provisions of this chapter and any
7 other provisions of this title, except for Chapters 40 and 41, the
8 provisions of this chapter control.

9 SECTION 3. Subchapter 2, Chapter 39, Utilities Code, is
10 amended by adding Section 39.9035 to read as follows:

11 Sec. 39.9035. INCOME-BASED ASSISTANCE FUND. (a) In this
12 section, "fund" means the income-based assistance fund.

13 (b) The income-based assistance fund is an account in the
14 general revenue fund. Money in the account may be appropriated only
15 for the purposes provided by this section or other law.

16 (c) The fund consists of:

17 (1) money appropriated, credited, or transferred to
18 the fund by the legislature;

19 (2) gifts or grants contributed to the fund; and

20 (3) interest earned on deposits and investments of the
21 fund.

22 (d) The commission shall administer the fund.

23 (e) Money in the fund may be appropriated to provide funding
24 only for the following purposes, in the following order of
25 priority:

26 (1) programs to:

27 (A) assist low-income electric customers by

1 making available the reduced rates described by Subsection (g); and
2 (B) provide one-time bill payment assistance as
3 described by Subsection (j) to electric customers who are or who
4 have in their households one or more seriously ill or disabled
5 low-income persons and who have been threatened with disconnection
6 for nonpayment;

7 (2) customer education that provides information on
8 other assistance programs, administrative expenses incurred by the
9 commission in implementing and administering this chapter, and
10 expenses incurred by the office under this chapter;

11 (3) support for low-income electric customers to
12 access the targeted energy efficiency programs described by
13 Subsection (f)(2); and

14 (4) reimbursement to the commission and the Health and
15 Human Services Commission for expenses incurred in the
16 implementation and administration of an integrated eligibility
17 process created under Section 17.007 for customer service discounts
18 relating to retail electric service, including outreach expenses
19 the commission determines are reasonable and necessary.

20 (f) Notwithstanding Section 39.106(b), the commission shall
21 adopt rules regarding programs to assist low-income electric
22 customers in areas where customer choice is available. The
23 programs may not be targeted to areas served by municipally owned
24 utilities or electric cooperatives that have not adopted customer
25 choice. The programs must include:

26 (1) reduced electric rates and bill payment assistance
27 described by Subsection (e)(1)(B); and

1 (2) targeted energy efficiency programs to be
2 administered by the Texas Department of Housing and Community
3 Affairs in coordination with existing weatherization programs.

4 (g) The commission by rule shall require electric
5 cooperatives that have adopted customer choice, municipally owned
6 utilities that have adopted customer choice, and retail electric
7 providers to provide a reduced rate for retail electric service for
8 low-income electric customers that limits monthly payments to not
9 more than the greater of 10 percent of the customer's income or \$50
10 per month. The reduced rate for municipally owned utilities and
11 electric cooperatives under this section is in addition to any rate
12 reduction that may result from local programs for low-income
13 electric customers of the municipally owned utility or electric
14 cooperative. The commission by rule shall establish eligibility
15 criteria for the reduced electric rates. The criteria must provide
16 that a customer is eligible for a reduced rate if:

17 (1) the customer's annual household income is not more
18 than 150 percent of the federal poverty guidelines for the
19 corresponding household size; or

20 (2) the customer's household income during the 30 days
21 before the date of enrollment, if annualized, is not more than 150
22 percent of the federal poverty guidelines for the corresponding
23 household size.

24 (h) An electric cooperative, municipally owned utility, or
25 retail electric provider may request from the commission
26 reimbursement from the fund for providing a reduced rate under
27 Subsection (g). An electric cooperative, municipally owned

1 utility, or retail electric provider shall be reimbursed from the
2 fund for the difference between the reduced rate and the rate
3 established under Section 39.106 or, as appropriate, the rate
4 established under Section 40.053 or 41.053. The commission shall
5 adopt rules providing for the reimbursement.

6 (i) The commission by rule shall provide methods of
7 enrolling customers eligible to receive reduced rates under
8 Subsection (g). The rules must provide for automatic enrollment as
9 one enrollment option.

10 (j) The commission by rule shall establish the bill payment
11 assistance program authorized under Subsection (e)(1)(B). The
12 rules must provide that a customer is eligible to receive the
13 assistance only if the assistance is necessary to prevent the
14 disconnection of service for nonpayment of bills and the electric
15 customer is a seriously ill or disabled low-income person or has in
16 the customer's household one or more seriously ill or disabled
17 low-income persons whose health or safety may be injured by the
18 disconnection. The commission may prescribe the documentation
19 necessary to demonstrate eligibility for the assistance and may
20 establish additional eligibility criteria. The Health and Human
21 Services Commission, on request of the commission, shall assist in
22 the adoption and implementation of these rules.

23 (k) A retail electric provider is prohibited from charging
24 the customer a fee for participation in the reduced rate program.

25 (l) The commission may not impose a fee for the purpose of
26 depositing revenue in the fund.

27 SECTION 4. Section 40.001(a), Utilities Code, is amended to

1 read as follows:

2 (a) Notwithstanding any other provision of law, except
3 Sections 39.155, 39.157(e), 39.203, 39.9035, and 39.904, this
4 chapter governs the transition to and the establishment of a fully
5 competitive electric power industry for municipally owned
6 utilities. With respect to the regulation of municipally owned
7 utilities, this chapter controls over any other provision of this
8 title, except for sections in which the term "municipally owned
9 utility" is specifically used.

10 SECTION 5. Section 41.001, Utilities Code, is amended to
11 read as follows:

12 Sec. 41.001. APPLICABLE LAW. Notwithstanding any other
13 provision of law, except Sections 39.155, 39.157(e), 39.203,
14 39.9035, and 39.904, this chapter governs the transition to and the
15 establishment of a fully competitive electric power industry for
16 electric cooperatives. Regarding the regulation of electric
17 cooperatives, this chapter shall control over any other provision
18 of this title, except for sections in which the term "electric
19 cooperative" is specifically used.

20 SECTION 6. It is the intent of the 88th Legislature, Regular
21 Session, 2023, that the amendments made by this Act be harmonized
22 with another Act of the 88th Legislature, Regular Session, 2023,
23 relating to nonsubstantive additions to and corrections in enacted
24 codes.

25 SECTION 7. This Act takes effect September 1, 2023.