

BILL ANALYSIS

H.B. 1640
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State Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Constituents in House District 1 have made complaints about the overselling of home solar systems, where the size and type of system sold or leased is inappropriate for the person's home. The constituents complained of sales staff that overpromised and underdelivered, leading to high prices and long payment periods. H.B. 1640 addresses this problem by requiring the Public Utility Commission of Texas to develop a customer guide to home solar energy devices that will be published online so that parties interested in acquiring such a device can become informed consumers and be better able to determine if a particular device is a good fit for their location and budget.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 1640 amends the Utilities Code to require the Public Utility Commission of Texas (PUC) to develop and periodically update a guide to provide customers with basic information, best practices, and guidelines to consider when deciding whether to install a solar energy device for a home and to provide a list of resources for obtaining more detailed information on solar energy devices. The bill requires that guide to include the following information:

- suggested questions to ask the electric cooperative, electric utility, municipally owned utility, or retail electric provider that serves the customer about services relating to home solar energy devices, including whether the entity offers net metering or a buyback program for excess power put onto the grid by a device, provides rebates or incentives for device installation, and can clearly identify the services related to the devices the entity does or does not provide;
- design elements of solar energy devices to consider for maximizing efficiency, including shade analysis, maintenance requirements, and the square footage, condition, direction, orientation, and tilt of the roof on which the device is installed;
- financial considerations for customers considering installing a solar energy device, including financing options, estimations of the appropriate system size in relation to home size and power needs, federal and state tax credits, applicable continuing costs, and the expected life of different types of devices; and
- a contact telephone number and email address for an employee or division of the PUC who can provide customers with information about solar energy devices in Texas.

The bill requires the PUC to publish the guide on its website. For at least 12 months after the PUC publishes each version of the guide, each electric utility that issues a bill directly to a customer and each electric cooperative, municipally owned utility, and retail electric provider must include a link to the guide on the entity's website and provide information about accessing the guide with each bill.

H.B. 1640 defines "solar energy device" by reference as a solar energy collector or solar energy system that provides for the collection of solar energy or the subsequent use of that energy as thermal, mechanical, or electrical energy.

EFFECTIVE DATE

September 1, 2025.