

By: Johnson

S.B. No. 1513

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.

(e) Subsection (d) does not apply in a state 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, is amended to read as follows:

Sec. 39.002. APPLICABILITY. This chapter, other than Sections 39.151, 39.1516, 39.155, 39.157(e), 39.161, 39.162, 39.163, 39.203, 39.9035, 39.9051, 39.9052, and 39.914(e), and Subchapters M and N, does not apply to a municipally owned utility

1 or an electric cooperative. Sections 39.157(e), ~~[and]~~ 39.203, and
2 39.9035 apply only to a municipally owned utility or an electric
3 cooperative that is offering customer choice. If there is a
4 conflict between the specific provisions of this chapter and any
5 other provisions of this title, except for Chapters 40 and 41, the
6 provisions of this chapter control.

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

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

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

14 (c) The fund consists of:

15 (1) money appropriated, credited, transferred, or
16 deposited to the credit of the fund by the legislature;

17 (2) gifts, grants, or donations made to the fund; and

18 (3) interest or other earnings attributable to the
19 investment of money in the fund.

20 (d) Money in the fund may be appropriated to the commission
21 and used to provide funding only for the following purposes, in the
22 following order of priority:

23 (1) programs to:

24 (A) assist low-income electric customers by
25 making available the discounts described by Subsection (f); and

26 (B) provide one-time bill payment assistance as
27 described by Subsection (k) to critical care residential customers,

1 as defined by Section 17.002, who have received notice of an
2 impending service disconnection for nonpayment;

3 (2) customer education that provides information on
4 other assistance programs;

5 (3) administrative expenses incurred by the
6 commission in implementing and administering this chapter and
7 expenses incurred by the office under this chapter; and

8 (4) reimbursement to the commission and the Health and
9 Human Services Commission for expenses incurred in the
10 implementation and administration of the automatic identification
11 process established under Section 17.007 for customer service
12 discounts relating to retail electric service, including outreach
13 expenses the commission determines are reasonable and necessary.

14 (e) The commission shall adopt rules regarding programs to
15 assist low-income electric customers in areas where customer choice
16 is available. The programs may not be targeted to areas served by
17 municipally owned utilities or electric cooperatives that have not
18 adopted customer choice.

19 (f) Programs adopted under Subsection (e) must include a
20 retail electric service discount program for low-income electric
21 customers that the commission implements periodically as money is
22 made available in the fund for the purpose of making the
23 reimbursements authorized under Subsection (i). The commission by
24 rule shall require electric cooperatives that have adopted customer
25 choice, municipally owned utilities that have adopted customer
26 choice, and retail electric providers to provide the discount. The
27 commission shall set the amount of the discount as a fixed amount

1 and may periodically revise the fixed amount. The discount for
2 electric cooperatives that have adopted customer choice and
3 municipally owned utilities that have adopted customer choice must
4 be in addition to any rate reduction that may result from local
5 programs for low-income electric customers of the municipally owned
6 utility or electric cooperative.

7 (g) The commission by rule shall establish eligibility
8 criteria for the discount program required under Subsection (f).
9 The criteria must provide that a customer is eligible for a discount
10 if identified by the Health and Human Services Commission as
11 eligible as a low-income customer under Section 17.007.

12 (h) The commission by rule shall prescribe methods of
13 enrolling customers eligible to receive a discount under Subsection
14 (f) that are compatible with the automatic identification process
15 established under Section 17.007. The rules must provide for
16 automatic enrollment as one enrollment option for customers that
17 have been identified as low-income customers under Section 17.007.

18 (i) The commission shall provide reimbursement from the
19 fund for each electric cooperative, municipally owned utility, or
20 retail electric provider that provides a discount under Subsection
21 (f) for the amount of the discount provided to eligible customers.
22 The commission shall adopt rules providing for the reimbursement.

23 (j) A retail electric provider may not charge the customer a
24 fee for receiving a discount.

25 (k) Programs adopted under Subsection (e) must include a
26 bill payment assistance program as described by Subsection
27 (d)(1)(B) that the commission implements periodically as money is

1 made available in the fund for the purpose of making the
2 reimbursements authorized under this subsection. The commission
3 may prescribe the documentation necessary to demonstrate
4 eligibility for the assistance and may establish additional
5 eligibility criteria. The Health and Human Services Commission, on
6 request of the commission, shall assist in the adoption and
7 implementation of these rules. The commission shall provide
8 reimbursement from the fund for each electric cooperative,
9 municipally owned utility, or retail electric provider that
10 provides bill payment assistance under this subsection for the
11 amount of the bill payment assistance provided to eligible
12 customers. The commission shall adopt rules providing for the
13 reimbursement.

14 SECTION 4. Section 40.001(a), Utilities Code, is amended to
15 read as follows:

16 (a) Notwithstanding any other provision of law, except
17 Sections 39.155, 39.157(e), ~~and~~ 39.203, and 39.9035, this chapter
18 governs the transition to and the establishment of a fully
19 competitive electric power industry for municipally owned
20 utilities. With respect to the regulation of municipally owned
21 utilities, this chapter controls over any other provision of this
22 title, except for sections in which the term "municipally owned
23 utility" is specifically used.

24 SECTION 5. Section 41.001, Utilities Code, is amended to
25 read as follows:

26 Sec. 41.001. APPLICABLE LAW. Notwithstanding any other
27 provision of law, except Sections 39.155, 39.157(e), ~~and~~ 39.203,

1 and 39.9035, this chapter governs the transition to and the
2 establishment of a fully competitive electric power industry for
3 electric cooperatives. Regarding the regulation of electric
4 cooperatives, this chapter shall control over any other provision
5 of this title, except for sections in which the term "electric
6 cooperative" is specifically used.

7 SECTION 6. This Act takes effect September 1, 2025.