

BILL ANALYSIS

C.S.H.B. 17
By: Deshotel
State Affairs
Committee Report (Substituted)

BACKGROUND AND PURPOSE

It has been noted that a growing number of cities across the country are restricting or outright banning natural gas hookups in new buildings and construction. This trend has reached Texas, where the City of Austin, among others, has considered proposals to phase out the use of natural gas hookups as part of a revision of the city's climate plan. There have been calls for the state to pass legislation preempting local measures restricting or banning utility service based on the type or source of energy that will be delivered in order to preserve customer choice and allow all Texas homeowners, builders, and businesses to decide how to meet their own energy needs. C.S.H.B. 17 seeks to provide for such preemption.

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

C.S.H.B. 17 amends the Utilities Code to prohibit a regulatory authority, planning authority, or political subdivision of the state from adopting or enforcing any measure that has the purpose, intent, or effect of directly or indirectly banning, limiting, restricting, discriminating against, or prohibiting the following based on the type or source of energy that will be delivered to the end-use customer:

- connecting or reconnecting a utility service; or
- constructing, maintaining, or installing residential, commercial, or other public or private infrastructure for a utility service.

The bill prohibits any entity 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 energy source or discourages the installation of facilities for the delivery of or use of a utility service based on that source. The bill expressly does not limit the ability of a regulatory authority or political subdivision to choose utility services for properties they own and does not consider a person, company, or corporation engaged in furnishing telephone service to the public to be a "utility" for purposes of the bill's provisions.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2021.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 17 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute revises the definition of "utility" to exclude a person, company, or corporation engaged in furnishing telephone service to the public.