

BILL ANALYSIS

Senate Research Center

H.B. 1902
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Business & Commerce
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Engrossed

DIGEST AND PURPOSE

When the System Benefit Fund (SBF) was created by the 76th Legislature as part of electric utility deregulation, it was envisioned to be a trust fund that would help finance programs regarding utility awareness and assistance. Under current law, the SBF is a trust fund with the comptroller administered by the Public Utility Commission. H.B. 1902 provides for the purposes for which the SBF may be used.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the comptroller of public accounts in SECTION 2 (Section 39.903, Utilities Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 39.901(e), Utilities Code, to provide that if in any year the system benefit fund is insufficient to make the transfer designated by the Texas Education Agency, the shortfall is required be included in the projected revenue requirement for the system benefit fund the next time the commission sets the fee under Section 39.903, and the shortfall amount is required to be transferred to the Foundation School Program the following year, subject to Section 39.903(e). Provides that amounts transferred from the SBF under this section may be appropriated only for the support of the Foundation School Program and are available, in addition to any amounts allocated by the General Appropriations Act, to finance actions under Section 41.002(b) or 42.2521, rather than 42.252, Education Code.

SECTION 2. Amends Section 39.903, Utilities Code, by amending Subsection (e) and adding Subsection (m), as follows:

(e) Requires the system benefit fund to provide funding solely for certain regulatory purposes and in a certain order of priority.

(m) Requires the comptroller, in addition to the rules required by Section 39.901(g) relating to the school funding loss mechanism, to adopt rules and establish procedures to meet certain criteria.

SECTION 3. Effective date: September 1, 2001.