

BILL ANALYSIS

Senate Research Center
83R19662 JJT-D

C.S.S.J.R. 55
By: Williams et al.
Finance
4/4/2013
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The System Benefit Fund (SBF) Account No. 5100 is a general revenue-dedicated account created by S.B. 7, 76th Legislature, Regular Session, 1999. The SBF account was created as part of the deregulation of the electric utility market and consists of a mandatory surcharge on electric utility usage. The Public Utility Commission (PUC) has statutory authority to set the fee up to \$0.65 per megawatt hour consumed in deregulated areas of the state.

The purpose of the SBF Account is to reduce the burden of electric utility costs on low-income populations in the state. PUC has accomplished this mainly through the Low Income Discount Program (also known as Lite-up Texas). This program provides a discount on eligible utility bills ranging from 10 percent to 20 percent. In fiscal year 2012, the discount was 10 percent and was offered from May through September.

Revenue from the non-bypassable fee has regularly exceeded legislative appropriations out of the SBF account, resulting in the accumulation of a balance. The comptroller of public accounts of the State of Texas (comptroller) estimated that the balance available for certification of the General Appropriations Act for the 2012-2013 biennium was \$851 million.

C.S.S.J.R. 55 appropriates the unobligated and unappropriated balance of the SBF account to the comptroller for deposit into a special fund outside the general revenue fund. The resolution requires the comptroller to disburse the money to retail electric customers as directed by general law.

C.S.S.J.R. 55 proposes a constitutional amendment appropriating the system benefit fund for the purpose of returning system benefit fund fees to retail electric customers.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Article VIII, Texas Constitution, by adding Section 30, as follows:

Sec. 30. (a) Provides that 90 percent of the unobligated and otherwise unappropriated balance of the system benefit fund account in the general revenue fund is appropriated to the comptroller of public accounts of the State of Texas (comptroller) on November 10, 2013, for the purpose of returning the appropriated money to retail electric customers in the manner provided by general law. Provides that the appropriation made by this subsection is not considered an appropriation of state tax revenues for purposes of Section 22 (Restriction On Appropriations) of this article.

(b) Requires the comptroller, on the date specified by Subsection (a) of this section, to transfer the amount appropriated by that subsection from the system benefit fund account in the general revenue fund in the state treasury outside of the general revenue fund. Requires the comptroller to retain the balance in that special fund and without further appropriation to disburse the money to retail

electric customers as directed under general law. Requires the comptroller to credit to the special fund all interest or other earnings on the balance of the special fund.

(c) Authorizes money that has been authorized to be spent out of the system benefit fund account by an appropriation that is made by law before November 10, 2013, to be spent as provided by general law and in accordance with that appropriation.

(d) Requires the legislature by general law to provide for the Public Utility Commission of Texas to direct the comptroller to disburse the money appropriated by Subsection (a) of this section to retail electric customers beginning as soon as practicable, with the entire balance of the money disbursed before September 1, 2014.

(e) Provides that this section expires January 1, 2021.

SECTION 2. Requires that the proposed constitutional amendment be submitted to the voters at an election to be held November 5, 2013. Sets forth the required language of the ballot.