

State Corporation Commission
2020 Special Session I - Fiscal Impact Statement

1. Bill Number: SB5118

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: McClellan

3. Committee: Commerce and Labor

4. Title: Public utilities; Emergency Debt Repayment Plan.

5. Summary: Requires every utility providing electric, gas, or water service to develop an Emergency Debt Repayment Plan (EDRP) for residential customers. The bill requires that an EDRP is designed to ensure that debt repayments accrued during a certain state of emergency or a certain service disconnection moratorium, in addition to the customer's regular utility bill are sustainable and affordable for the customer. The bill provides that EDRP will allow for (i) an up to 24-month repayment period, (ii) a customer to roll over remaining debt with any debt accrued under a subsequent state of emergency; and (iii) minimum monthly payments that do not exceed for accrued debt, per utility, \$ 45.50 or, at the option of the utility, four percent of the customer's household income provided the utility or a third-party verifies the customer's income in a manner consistent with any applicable state or federal privacy laws. The bill prohibits a utility from requiring any deposit, application fee, or other type of advance payment before enrolling a customer in an EDRP and from charging any interest, finance charges, or prepayment penalties on the unpaid debt while the customer is enrolled in an EDRP. The bill requires utilities to offer to enroll eligible customers and prohibits a utility from discontinuing service for any customer enrolled in the program provided the customer remains in compliance with the terms of the EDRP and remains current on the customer's current utility bill. The bill requires each utility to submit a report to the Commission and for the Commission to report the information to the chairs of the House Committees on Labor and Commerce and Appropriations and the Senate Committees on Commerce and Labor and Finance and Appropriations. The bill provides that debt associated with an EDRP will not be recognized as an asset for regulatory purposes and any associated costs are not recoverable through base rates or a rate adjustment clause. The bill provides that it does not affect certain orders issued by the Commission and does not confer any additional jurisdiction or authority to the Commission.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: Potential fiscal impact to State Corporation Commission cannot be determined at this time.

8. Fiscal Implications: The State Corporation Commission may have to hire temporary call center employees to address an increase in call volume due to customer questions concerning the Emergency Debt Repayment Plan. The fiscal impact cannot be determined at this time.

9. Specific Agency or Political Subdivisions Affected: State Corporation Commission

10. Technical Amendment Necessary: None

11. Other Comments: No