

**SUBJECT:** Disconnection notices at certain multifamily housing properties

**COMMITTEE:** Urban Affairs — committee substitute recommended

**VOTE:** 6 ayes — Dutton, Alvarado, Elkins, Leach, J. Rodriguez, Sanford  
0 nays  
1 absent — Anchia

**WITNESSES:** For — Mike Bass, City of Arlington; David Mintz, Texas Apartment Association; Simone Nichols-Segers, National Multiple Sclerosis Society; Chris Parks, Legal Aid of Northwest Texas; Emily Rickers, Alliance for Texas Families; (*Registered, but did not testify*: Eric Craven, Texas Electric Cooperatives; David Crow, Arlington Professional Fire Fighters Association; Randle Meadows, Arlington Police Association; Tyler Rudd, West Texas Gas; Katherine Stark, Austin Tenants Council)  
  
Against — None  
  
On — Walt Baum, Association of Electric Companies of Texas Inc.

**DIGEST:** CSHB 1772 would provide for notification of the impending disconnection of electric or natural gas utilities to residents of nonsubmetered master-metered multifamily housing properties. It would also provide that cities be notified of the disconnections.

**Definitions.** CSHB 1772 would define a “customer” as a person who is responsible for bills received for electric utility service or gas utility service provided to nonsubmetered master metered multifamily property.

"Nonsubmetered master-metered multifamily property" would mean an apartment, a leased or owner-occupied condominium, or one or more buildings containing at least 10 dwellings that receive electric utility service or gas utility service that is master metered but not submetered.

**Customer notice to tenants.** CSHB 1172 would require a customer to provide written notice of a service disconnection to each tenant or owner at a property not later than the fifth day after the date the customer

received a notice of service disconnection from an electric service provider or a gas utility.

The customer would be required to provide notice by mail to the tenant's or owner's preferred mailing address or hand deliver the notice to the tenant or owner. The written notice would have to include the customer's contact information and the tenant's remedies under the Property Code.

The notice would be required to be in both English and Spanish and contain the following language: *"Notice to residents of (name and address of nonsubmetered master metered multifamily property): Electric (or gas) service to this property is scheduled for disconnection on (date) because (reason for disconnection)."*

**Customer notice to cities.** The customer would be required to provide the same notice to the governing body of a city by certified mail if the property was located within a city. CSHB 2712 would allow a city to provide additional notice to the property's tenants and owners after receipt of the service disconnection notice under this subsection.

**Other customer notice provisions.** The customer would not be required to send notices to tenants, owners, or cities if a customer avoided the disconnection by paying the bill.

**Notice to cities from electric utilities.** CSHB 1772 would require a retail electric provider or vertically integrated electric utility in an area where customer choice had not been introduced to send a written notice of the service disconnection to a city before the electric provider disconnects service to a property for nonpayment under certain conditions. CSHB 1772 would require that the property be located in the city and the city established an authorized representative to receive notice. The electric utility would have to send the notice not later than the 10th day before the date electric service was scheduled for disconnection. The notice requirement would not apply to a city-owned utility or an electric cooperative.

The Public Utility Commission would be required by rule to adopt a mechanism by which a city could provide the city's contact information to the commission for the purposes of receiving notice from the electric utility. The contact information would be available to the public.

**Notice to cities from gas utilities.** The bill would require gas utilities, except city-owned gas utilities or gas utilities owned by electric cooperatives, to provide notice in the same manner as that described previously for electric utilities.

The Railroad Commission would be required by rule to adopt a mechanism by which a city could provide the city's contact information to the commission for the purposes of receiving notice from the gas utility. The contact information would be available to the public.

**Additional safeguards.** The provisions of CSHB 1772 would be in addition to the safeguards provided by other laws or agency rules. CSHB 1772 would not prohibit a city, the Public Utility Commission, or the Railroad Commission from adopting customer safeguards that exceeded the safeguards provided in the bill.

**Effective dates.** CSHB 1772 would apply only to the disconnection of service for nonpayment of a utility bill issued for a billing period that began on or after the bill's effective date.

CSHB 1772 would take effect September 1, 2013.