

## **BILL ANALYSIS**

Senate Research Center

S.B. 760  
By: Sibley  
Economic Development  
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As Filed

### **DIGEST**

Currently, state law provides limited means by which to punish telephone companies that switch a customer to that company's service without authorization, a practice known as "slamming." The Public Utility Commission of Texas (commission) has no authority to punish companies for slamming customers. Customers who have been switched without their authorization are limited to filing complaints with the state attorney general or the Federal Communications Commission. This bill gives the commission rulemaking authority to govern slamming in the long distance and local exchange markets in Texas, including requiring the verification of a customer's request to change telecommunications utilities, specifying that a customer not be required to pay a company that has slammed the customer, authorizing the commission to levy fines against companies guilty of slamming, and authorizing the commission to ban a company from providing service in this state for severe cases of misconduct.

### **PURPOSE**

As proposed, S.B. 760 requires the Public Utility Commission to adopt nondiscriminatory and competitively neutral telecommunications utility selection rules governing the customer's selection of telecommunication utilities that meet certain provisions.

### **RULEMAKING AUTHORITY**

Rulemaking authority is granted to Public Utility Commission of Texas in SECTION 1 (Section 3.312, Article 1446c-0, V.T.C.S.) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Title III G, Article 1446c-0, V.T.C.S. (Public Utility Regulatory Act of 1995), by adding Section 3.312, as follows:

Sec. 3.312. TELECOMMUNICATIONS UTILITY SELECTION RULES. Requires the Public Utility Commission of Texas (commission) to adopt nondiscriminatory and competitively neutral telecommunications utility selection rules governing the customer's selection of telecommunications utilities that meet certain provisions. Grants the commission jurisdiction to adopt rules required by this section and to enforce the provisions of these rules and this section. Authorizes the commission to notify customers of their rights under these rules.

SECTION 2. Amends Section 3.051(c), Article 1446c-0 V.T.C.S., to make a conforming change.

SECTION 3. Effective date: September 1, 1997.

SECTION 4. Emergency clause.