

SENATE BILL 1424

By Roberts

AN ACT to amend Tennessee Code Annotated, Title 7,
Chapter 34; Title 7, Chapter 52 and Title 65,
relative to utility programs.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 7-34-115(i), is amended by deleting subdivision (5) and substituting:

(5)

(A) A municipal utility system that established a program authorized by subdivision (i)(1) before January 1, 2021, and that operates the program on an opt-out basis shall operate the program in compliance with subdivision (i)(4) by January 1, 2024, and remove any customer from participation in the program unless the customer has provided express consent to being enrolled in the program. The municipal utility system may send written notice to each customer that contains the following information:

(i) A statement that the municipal utility system utilizes a program authorized by subdivision (i)(1); the program is operated on an opt-out basis; the program will be operated on an opt-in basis going forward, including the date that change takes effect; and describing the program;

(ii) Notification that a customer who wishes to continue participating in the program must opt in to participation, and that a customer who opts in to participation has the right to opt out of participation at any time, subject to the removal timeframe described in subdivision (i)(4)(C);

(iii) Contact information for the municipal utility system and instructions on how the customer may contact the municipal utility system to opt in to or opt out of participation in the program; and

(iv) Additional information that the municipal utility system deems appropriate for purposes of the notice.

(B) A customer of a municipal utility system that does not comply with subdivision (i)(5)(A) may submit a complaint to the comptroller of the treasury. The comptroller of the treasury shall enforce subdivision (i)(5)(A), and may prohibit a municipal utility system that does not comply with subdivision (i)(5)(A) from operating the program until it is operated in compliance with subdivision (i)(5)(A).

SECTION 2. Tennessee Code Annotated, Section 7-34-115(i), is amended by adding the following as a new subdivision:

(7) A municipal utility system that operates a program authorized by subdivision (i)(1) shall submit an annual report to the comptroller of the treasury no later than January 31 of each year. The report must provide an itemized list of the bona fide charitable purposes for which the moneys were used, including the name of each charitable organization to which moneys were sent and the amount of moneys sent to each charitable organization. The comptroller of the treasury shall publish the report required by this subdivision (i)(7) on its website.

SECTION 3. Tennessee Code Annotated, Section 7-52-103(e), is amended by deleting subdivision (4) and substituting:

(4)

(A) A municipality that established a program authorized by subdivision (e)(1) before January 1, 2021, and that operates the program on an opt-out basis

shall operate the program in compliance with subdivision (e)(3) by January 1, 2024, and remove any customer from participation in the program unless the customer has provided express consent to being enrolled in the program. The municipality may send written notice to each electric plant customer that contains the following information:

(i) A statement that the municipal electric plant utilizes a program authorized by subdivision (e)(1); the program is operated on an opt-out basis; the program will be operated on an opt-in basis going forward, including the date that change takes effect; and describing the program;

(ii) Notification that a customer who wishes to continue participating in the program must opt in to participation, and that a customer who opts in to participation has the right to opt out of participation at any time, subject to the removal timeframe described in subdivision (e)(3)(C);

(iii) Contact information for the electric plant and instructions on how the customer may contact the electric plant to opt in to or opt out of participation in the program; and

(iv) Additional information that the municipality deems appropriate for purposes of the notice.

(B) A customer of a municipal electric plant that does not comply with subdivision (e)(4)(A) may submit a complaint to the comptroller of the treasury. The comptroller of the treasury shall enforce subdivision (e)(4)(A), and may prohibit a municipal electric plant that does not comply with subdivision (e)(4)(A) from operating the program until it is operated in compliance with subdivision (e)(4)(A).

SECTION 4. Tennessee Code Annotated, Section 7-52-103(e), is amended by adding the following as new subdivisions:

(6) A municipal electric plant that operates a program authorized by subdivision (e)(1) shall submit an annual report to the comptroller of the treasury no later than January 31 of each year. The report must provide an itemized list of the bona fide charitable purposes for which the moneys were used, including the name of each charitable organization to which moneys were sent and the amount of moneys sent to each charitable organization. The comptroller of the treasury shall publish the report required by this subdivision (e)(6) on its website.

(7) As used in this subsection (e), "opt-out basis" means automatically enrolling customers in a program and requiring notice from the customer of a desire to be removed from the program in order to cease participation in the program.

SECTION 5. This act takes effect upon becoming a law, the public welfare requiring it.