

Amend HB 1600 (house committee report) by inserting the following appropriately numbered SECTIONS to ARTICLE 1 of the bill and renumbering the subsequent SECTIONS of the article accordingly:

SECTION 1.____. Section 12.053, Utilities Code, is amended to read as follows:

Sec. 12.053. MEMBERSHIP QUALIFICATIONS. (a) To be eligible for appointment, a commissioner must ~~[be]~~:

- (1) be a qualified voter;
- (2) be a citizen of the United States; ~~[and]~~
- (3) be a competent and experienced administrator;
- (4) be well informed and qualified in the field of public utilities and utility regulation; and
- (5) have at least five years of experience in the administration of business or government or as a practicing attorney or certified public accountant ~~[a representative of the general public].~~

(b) Before a person may be appointed as commissioner, the person must submit to the attorney general and the governor's office written disclosure of whether the person, ~~[A person is not eligible for appointment as a commissioner if the person:~~

~~[(1)]~~ at any time during the two years preceding appointment:

(1) ~~[(A)]~~ personally served as an officer, director, owner, employee, partner, or legal representative of a public utility, affiliate, or direct competitor of a public utility; or

(2) ~~[(B)]~~ owned or controlled, directly or indirectly, stocks or bonds of any class with a value of \$10,000 or more in a public utility, affiliate, or direct competitor of a public utility.

(c) The disclosure required under Subsection (b) is public information.

(d) A person is not eligible for appointment as a commissioner if the person~~[, or~~

~~[(2)]~~ is not qualified to serve under Section 12.151, 12.152, or 12.153.

SECTION 1.____. Section 12.152(a), Utilities Code, is amended to read as follows:

(a) A person is not eligible for appointment as a commissioner or executive director of the commission if:

(1) the person serves on the board of directors of a company that supplies fuel, utility-related services, or utility-related products to regulated or unregulated electric or telecommunications utilities; or

(2) the person or the person's spouse:

(A) is employed by or participates in the management of a business entity or other organization that is regulated by or receives funds from the commission;

(B) directly or indirectly owns or controls more than a 10 percent interest [~~or a pecuniary interest with a value exceeding \$10,000~~] in:

(i) a business entity or other organization that is regulated by or receives funds from the commission; or

(ii) a utility competitor, utility supplier, or other entity affected by a commission decision in a manner other than by the setting of rates for that class of customer;

(C) uses or receives a substantial amount of tangible goods, services, or funds from the commission, other than compensation or reimbursement authorized by law for commission membership, attendance, or expenses; or

(D) notwithstanding Paragraph (B), has an interest in a mutual fund or retirement fund in which more than 10 percent of the fund's holdings at the time of appointment is in a single utility, utility competitor, or utility supplier in this state and the person does not disclose this information to the governor, senate, commission, or other entity, as appropriate.

SECTION 1.____. Section 12.154(a), Utilities Code, is amended to read as follows:

(a) During the period of service with the commission, a commissioner or commission employee may not:

(1) have a pecuniary interest, including an interest as an officer, director, partner, owner, employee, attorney, or consultant, in:

(A) a public utility or affiliate; or

(B) a person a significant portion of whose business consists of furnishing goods or services to public utilities or affiliates; or

(2) ~~[directly or indirectly own or control securities in a public utility, affiliate, or direct competitor of a public utility, or~~

~~(3)]~~ accept a gift, gratuity, or entertainment from:

(A) a public utility, affiliate, or direct competitor of a public utility;

(B) a person a significant portion of whose business consists of furnishing goods or services to public utilities, affiliates, or direct competitors of public utilities; or

(C) an agent, representative, attorney, employee, officer, owner, director, or partner of a person described by Paragraph (A) or (B).