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HOUSE OF REPRESENTATIVES

FLOOR AMENDMENT NO. _____

BY: Byron Cook

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

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

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

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

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

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

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

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

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

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

5 ~~[(2)]~~ is not qualified to serve under Section 12.151,
6 12.152, or 12.153.

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

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

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

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

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

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

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

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

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

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

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

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

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

14 (A) a public utility or affiliate; or

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

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

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

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

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

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

