

Amend CSHB 10 (house committee printing) as follows:

(1) Strike SECTION 1 of the bill (page 1, lines 6-10), and substitute the following:

SECTION 1. (a) Section 12.052, Utilities Code, is amended to read as follows:

Sec. 12.052. PRESIDING OFFICER. The commissioners shall elect one commissioner [~~(a) The governor shall designate a commissioner~~] as the presiding officer.

~~[(b) The presiding officer serves in that capacity at the pleasure of the governor.]~~

(b) This section takes effect September 1, 2021.

(2) Add the following appropriately numbered SECTIONS to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. (a) The heading to Subchapter B, Chapter 12, Utilities Code, is amended to read as follows:

SUBCHAPTER B. COMMISSION ELECTION [~~APPOINTMENT~~] AND FUNCTIONS

(b) This section takes effect September 1, 2021.

SECTION \_\_\_\_\_. (a) Section 12.051, Utilities Code, is amended to read as follows:

Sec. 12.051. ELECTION [~~APPOINTMENT~~]; TERM. (a) The commission is composed of five [~~three~~] commissioners elected to numbered positions at the general election for state officers [~~appointed by the governor with the advice and consent of the senate~~].

(b) [~~An appointment to the commission shall be made without regard to the race, color, disability, sex, religion, age, or national origin of the appointee.~~]

~~[(c) Commissioners serve staggered, six-year terms.~~

(b) This section takes effect September 1, 2021.

SECTION \_\_\_\_\_. (a) Section 12.053, Utilities Code, is amended to read as follows:

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

(1) be a qualified voter; and

(2) be a citizen of the United States[+]

~~[(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].~~

(b) A person is not eligible for election or appointment to a commissioner's office ~~[as a commissioner]~~ if the person:

(1) at any time during the two years preceding the date of the person's election or the date of the person's appointment:

(A) personally served as an officer, director, owner, employee, partner, or legal representative of a public utility regulated by the commission or of an affiliate or direct competitor of a public utility regulated by the commission; or

(B) owned or controlled, directly or indirectly, more than a 10 percent interest in a public utility regulated by the commission or in an affiliate or direct competitor of a public utility regulated by the commission; or

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

(b) This section takes effect September 1, 2021.

SECTION \_\_\_\_\_. (a) Section 12.054(a), Utilities Code, is amended to read as follows:

(a) It is a ground for removal from the commission if a commissioner:

(1) does not have at the time of election or appointment or does not maintain during service on the commission the qualifications required by Section 12.053;

(2) violates a prohibition provided by Section 12.053 or by Subchapter D;

(3) cannot discharge the commissioner's duties for a substantial part of the term for which the commissioner is elected or appointed because of illness or disability; or

(4) is absent from more than half of the regularly scheduled commission meetings that the commissioner is eligible to attend during a calendar year unless the absence is excused by majority vote of the commission.

(b) This section takes effect September 1, 2021.

SECTION \_\_\_\_\_. (a) Section 12.055, Utilities Code, is

amended to read as follows:

Sec. 12.055. PROHIBITION ON SEEKING ANOTHER OFFICE. A person may not seek nomination or election to another civil office of this state or of the United States while serving as a commissioner. If a commissioner files for nomination or election to another civil office of this state or of the United States, the person's office as commissioner immediately becomes vacant, and the governor shall order a special election or appoint a successor as provided by Section 12.056.

(b) This section takes effect September 1, 2021.

SECTION \_\_\_\_\_. (a) Section 12.056, Utilities Code, is amended to read as follows:

Sec. 12.056. [~~EFFECT OF~~] VACANCY. (a) A vacancy or disqualification does not prevent a [~~the~~] remaining commissioner [~~or commissioners~~] from exercising the powers of the commission.

(b) If the office of a commissioner becomes vacant and more than one year remains in the term of the office vacated, the governor shall order a special election in which a successor shall be elected.

(c) If the office of a commissioner becomes vacant and less than one year remains in the term of the office vacated, the governor shall appoint a successor to serve for the unexpired term.

(b) This section takes effect September 1, 2021.

SECTION \_\_\_\_\_. (a) Section 12.059, Utilities Code, is amended to read as follows:

Sec. 12.059. TRAINING PROGRAM FOR COMMISSIONERS. (a) Before a commissioner may assume the commissioner's duties [~~and before the commissioner may be confirmed by the senate~~], the commissioner must complete at least one course of the training program established under this section.

(b) A training program established under this section shall provide information to the commissioner regarding:

(1) the enabling legislation that created the commission and its policymaking body to which the commissioner is elected or appointed to serve;

(2) the programs operated by the commission;

(3) the role and functions of the commission;

(4) the rules of the commission with an emphasis on the rules that relate to disciplinary and investigatory authority;

(5) the current budget for the commission;

(6) the results of the most recent formal audit of the commission;

(7) the requirements of Chapters 551, 552, and 2001, Government Code;

(8) the requirements of the conflict of interest laws and other laws relating to public officials; and

(9) any applicable ethics policies adopted by the commission or the Texas Ethics Commission.

(c) A person who is elected or appointed to the commission is entitled to reimbursement, as provided by the General Appropriations Act, for the travel expenses incurred in attending the training program regardless of whether the attendance at the program occurs before or after the person qualifies for office.

(b) This section takes effect September 1, 2021.

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

Sec. 12.152. CONFLICT OF INTEREST. (a) A person is not eligible for election or 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 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 election or 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.

(b) A person otherwise ineligible because of Subsection (a)(2)(B) may be elected or appointed to the commission and serve as a commissioner or may be employed as executive director if the person:

(1) notifies the attorney general and commission that the person is ineligible because of Subsection (a)(2)(B); and

(2) divests the person or the person's spouse of the ownership or control:

(A) before beginning service or employment; or

(B) if the person is already serving or employed, within a reasonable time.

(b) This section takes effect September 1, 2021.

SECTION \_\_\_\_\_. (a) Section 52.092(c), Election Code, is amended to read as follows:

(c) Statewide offices of the state government shall be listed in the following order:

(1) governor;

(2) lieutenant governor;

(3) attorney general;

(4) comptroller of public accounts;

(5) commissioner of the General Land Office;

(6) commissioner of agriculture;

(7) railroad commissioner;

(8) public utility commissioner;

(9) chief justice, supreme court;

(10) [~~(9)~~] justice, supreme court;

(11) [~~(10)~~] presiding judge, court of criminal appeals;

(12) [~~(11)~~] judge, court of criminal appeals.

(b) This section takes effect September 1, 2021.

SECTION \_\_\_\_\_. (a) Section 504.401(d), Transportation Code, is amended to read as follows:

(d) In this section, "state official" means:

(1) a member of the legislature;

(2) the governor;

(3) the lieutenant governor;

(4) a justice of the supreme court;

(5) a judge of the court of criminal appeals;

(6) the attorney general;

(7) the commissioner of the General Land Office;

(8) the comptroller;

(9) a member of the Railroad Commission of Texas;

(10) the commissioner of agriculture;

(11) a commissioner of the Public Utility Commission of Texas;

(12) the secretary of state; or

(13) [~~(12)~~] a member of the State Board of Education.

(b) This section takes effect September 1, 2021.

SECTION \_\_\_\_\_. (a) The first election for commissioner, position number one, of the Public Utility Commission of Texas, for a six-year term beginning on January 1, 2023, shall be held on the date of the general election for state and county officers for the year 2022. The first election for commissioner, position numbers two and three, for six-year terms beginning on January 1, 2025, shall be held on the date of the general election for state and county officers for the year 2024. The first election for commissioner, position numbers four and five, for six-year terms beginning on January 1, 2027, shall be held on the date of the general election for state and county officers for the year 2026.

(b) Notwithstanding any other law, the term of a commissioner of the Public Utility Commission of Texas who is serving on September 1, 2021, expires on that date, but a

commissioner serving on that date may continue to serve in that office until a successor is appointed or elected and qualifies. As soon as practicable after September 1, 2021, the governor shall appoint a qualified individual to serve in each of the five numbered commissioner positions on the Public Utility Commission of Texas to staggered terms so that the commissioner in position number one serves until a successor elected in 2022 qualifies and takes office, the terms of the commissioners in position numbers two and three each serve until a successor elected in 2024 qualifies and takes office, and the terms of the commissioners in position numbers four and five each serve until a successor elected in 2026 qualifies and takes office.