

# CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

5-29-21

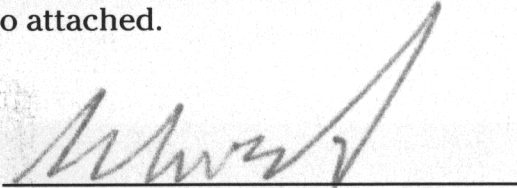
Date

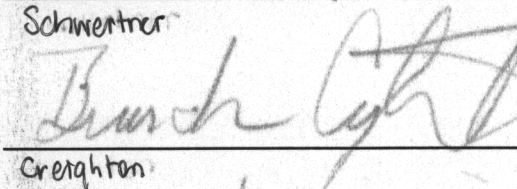
Honorable Dan Patrick  
President of the Senate

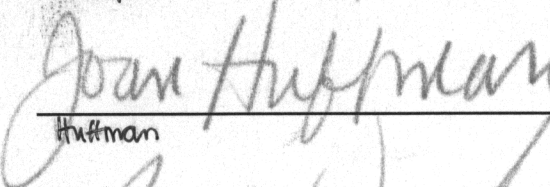
Honorable Dade Phelan  
Speaker of the House of Representatives

Sirs:

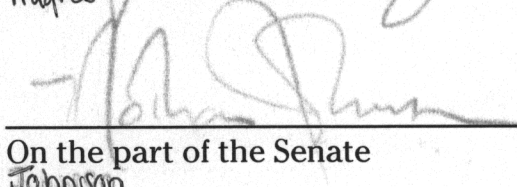
We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on SB 2154 have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

  
Schwertner

  
Crenshaw

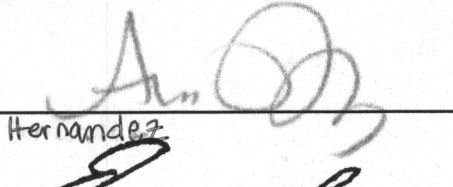
  
Huffman

  
Hughes

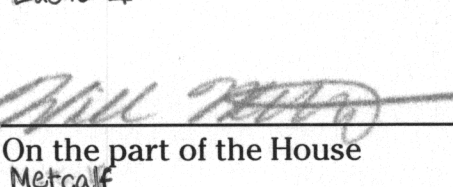
  
On the part of the Senate  
Johnson

  
Padgett

  
Harless

  
Hernandez

  
Lucio III

  
On the part of the House  
Metcalf

Note to Conference Committee Clerk: Draft # 87R 30386

Please type the names of the members of the Conference Committee under the lines provided for signature. Those members desiring to sign the report should sign each of the six copies. Attach a copy of the Conference Committee Report and a Section by Section side by side comparison to each of the six reporting forms. The original and two copies are filed in house of origin of the bill, and three copies in the other house.



# CONFERENCE COMMITTEE REPORT

3<sup>rd</sup> Printing

S.B. No. 2154

A BILL TO BE ENTITLED

AN ACT

relating to the membership of the Public Utility Commission of Texas.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 12.051(a), Utilities Code, is amended to read as follows:

(a) The commission is composed of five [~~three~~] commissioners appointed by the governor with the advice and consent of the senate.

SECTION 2. Section 12.053, Utilities Code, is amended by amending Subsections (a) and (b) and adding Subsection (a-1) to read as follows:

(a) To be eligible for appointment, a commissioner must:

(1) be a qualified voter;

(2) be a citizen of the United States;

(3) be a resident of this state;

(4) 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:

(A) in the administration of business or government; or

(B) as a practicing attorney, ~~[or]~~ certified public accountant, or professional engineer.

1        (a-1) At least two commissioners must be well informed and  
2 qualified in the field of public utilities and utility regulation.

3        (b) A person is not eligible for appointment as a  
4 commissioner if the person:

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

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

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

15                        (C) served as an executive officer listed under  
16 Section 1, Article IV, Texas Constitution, other than the secretary  
17 of state, or a member of the legislature; or

18                (2) is not qualified to serve under Section 12.151,  
19 12.152, or 12.153.

20        SECTION 3. Subchapter B, Chapter 12, Utilities Code, is  
21 amended by adding Section 12.060 to read as follows:

22        Sec. 12.060. FORMER COMMISSIONER: LOBBYING RESTRICTED. A  
23 former member of the commission may not, before the first  
24 anniversary of the date the member ceases to be a member of the  
25 commission, engage in an activity before the commission that  
26 requires registration under Chapter 305, Government Code.

27        SECTION 4. (a) Not later than the 30th day after the

1 effective date of this Act, the governor shall appoint a person to  
2 the Public Utility Commission of Texas to serve as the presiding  
3 officer of the commission in accordance with Section 12.053,  
4 Utilities Code, as amended by this Act.

5 (b) In making appointments of commissioners to the Public  
6 Utility Commission of Texas under Section 12.051, Utilities Code,  
7 as amended by this Act, the governor shall assign staggered terms to  
8 the commissioners appointed to fill vacancies and to the  
9 commissioners appointed to new positions to ensure that the  
10 requirements of Section 30a, Article XVI, Texas Constitution, are  
11 met.

12 SECTION 5. This Act takes effect immediately if it receives  
13 a vote of two-thirds of all the members elected to each house, as  
14 provided by Section 39, Article III, Texas Constitution. If this  
15 Act does not receive the vote necessary for immediate effect, this  
16 Act takes effect September 1, 2021.

Senate Bill 2154  
Conference Committee Report  
Section-by-Section Analysis

SENATE VERSION	HOUSE VERSION (IE)	CONFERENCE
SECTION 1. Section 12.051 Utilities Code, is amended.	SECTION 1. Same as Senate version but also amends Subsection (b) to read as follows:  <i><u>(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. The appointments shall be made to reflect the diverse geographic regions and population groups of this state. At least one commissioner must be a registered voter who resides in a rural county with a population of less than 150,000.</u></i> [FA2(1),(2)]	SECTION 1. Same as Senate version.
SECTION 2. Section 12.053, Utilities Code, is amended.	SECTION 2. Same as Senate version except also adds Subsection (a-2) to read as follows:  <i><u>(a-2) At least one commissioner must be well informed and qualified in the field of public interest advocacy and have a background in representing the interests of customers of utilities.</u></i> [FA3(1),(2)]	SECTION 2. Same as Senate version.
<i>No equivalent provision.</i>	SECTION __.Subchapter B, Chapter 12, Utilities Code, is amended by adding Section 12.060 to read as follows: <u>Sec. 12.060. FORMER COMMISSIONER: LOBBYING RESTRICTED. A former member of the commission may not, before the <i>second anniversary</i> of the date the member ceases to be a member of the commission, engage in an activity that requires registration under Chapter 305, Government Code.</u> [FA4]	SECTION 3. Subchapter B, Chapter 12, Utilities Code, is amended by adding Section 12.060 to read as follows: <u>Sec. 12.060. FORMER COMMISSIONER: LOBBYING RESTRICTED. A former member of the commission may not, before the <i>first anniversary</i> of the date the member ceases to be a member of the commission, engage in an activity <i>before the commission</i> that requires registration under Chapter 305, Government Code.</u>
SECTION 3. Transition provision.	SECTION 3. Same as Senate version.	SECTION 4. Same as Senate version.
SECTION 4. Effective date.	SECTION 4. Same as Senate version.	SECTION 5. Same as Senate version.

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 29, 2021

TO: Honorable Dan Patrick, Lieutenant Governor, Senate  
Honorable Dade Phelan, Speaker of the House, House of Representatives

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB2154 by Schwertner (Relating to the membership of the Public Utility Commission of Texas.),  
Conference Committee Report

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB2154, Conference Committee Report : a negative impact of (\$2,212,072) through the biennium ending August 31, 2023.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to <i>General Revenue Related Funds</i>
2022	(\$1,156,036)
2023	(\$1,056,036)
2024	(\$1,056,036)
2025	(\$1,056,036)
2026	(\$1,056,036)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable (Cost) from <i>General Revenue Fund</i> 1	<i>Change in Number of State Employees from FY 2021</i>
2022	(\$1,156,036)	6.0
2023	(\$1,056,036)	6.0
2024	(\$1,056,036)	6.0
2025	(\$1,056,036)	6.0
2026	(\$1,056,036)	6.0

Fiscal Analysis

The bill would increase the number of commissioners at the Public Utility Commission from three to five, as well as amend the rules for commissioner eligibility.

Methodology

The PUC anticipates that the cost associated with the bill is the cost of two commissioners, two commissioner advisors, and two support staff, plus the cost to construct two new commissioner office suites. Each

commissioner salary is \$201,000; each advisor salary is \$135,000; and each support staff salary is \$55,000. The PUC estimates a total of \$8,000 in other operating expense for these six new employees. The cost to construct two new commissioner office suites, which include multiple offices and a reception area, is estimated by facilities staff to be \$50,000 each, or \$100,000 total in the first year.

### **Technology**

It is anticipated that there is no technological impact from this bill.

### **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 212 Office of Court Admin, 473 Public Utility Commission of Texas, 475 Office of Public Utility Counsel

**LBB Staff:** JMc, CMA, SMAT, MB, RRE, SLE