## THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL No. 437 Session of 1985

INTRODUCED BY DeLUCA, MAYERNIK, KOSINSKI, MARKOSEK, BELFANTI, COHEN, MRKONIC, HALUSKA, TIGUE, DALEY, JAROLIN, ARTY, MORRIS, KASUNIC, TRELLO, CIMINI, FREEMAN AND PISTELLA, FEBRUARY 26, 1985

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, FEBRUARY 26, 1985

## AN ACT

| 1<br>2<br>3 | Amending Title 66 (Public Utilities) of the Pennsylvania<br>Consolidated Statutes, providing for the election of public<br>utility commissioners and for their campaign expenses. |
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| 4           | The General Assembly of the Commonwealth of Pennsylvania  |
| 5           | hereby enacts as follows:   |
| б           | Section 1. Section 301 of Title 66 of the Pennsylvania  |
| 7           | Consolidated Statutes is amended to read:   |
| 8           | § 301. Establishment, members, qualifications and chairman.   |
| 9           | (a) Appointment, election and terms of membersThe   |
| 10          | Pennsylvania Public Utility Commission, established by the act  |
| 11          | of March 31, 1937 (P.L.160, No.43), as an independent   |
| 12          | administrative commission, is hereby continued as such and shall  |
| 13          | consist of five members [who shall be appointed by the Governor,  |
| 14          | by and with the advice and consent of two-thirds of all the   |
| 15          | members of the Senate, for a term of ten years. No commissioner   |
| 16          | upon the expiration of his term shall continue to hold office   |
| 17          | until his successor shall be duly appointed or shall be   |

qualified] who shall be elected. The members shall be elected 1 for four-year terms. Terms shall begin January 1 following their 2 election. On January 1, 1986, the terms of office of the three 3 4 appointed commissioners with the shortest amount of time in office shall be terminated. Their seats will be filled by three 5 of the five elected commissioners selected in November of 1985. 6 In the event of a vacancy, the position shall be filled at the 7 8 next municipal election. The Commonwealth shall be divided into five utility districts of equal population consisting of ten 9 10 geographically contiguous senatorial districts and one commissioner shall be elected from each district. The nomination 11 12 and election of a candidate for the office of commissioner of 13 the Pennsylvania Public Utility Commission shall be governed by the act of June 3, 1937 (P.L.1333, No.320), known as the 14 15 Pennsylvania Election Code. Nominating petitions shall contain 16 2,500 signatures of the electorate registered with the candidate's party and residing in the candidate's district. Not 17 18 more than 50% of the signatures shall be from one county. 19 (b) Qualifications and restrictions.--Each commissioner, at 20 the time of his appointment or election and qualification, shall be a resident of this Commonwealth and shall have been a 21 22 qualified elector therein for a period of at least one year next 23 preceding his appointment, and shall also be not less than 30 24 years of age. No person shall be appointed or elected a member 25 of the commission or hold any place, position or office under it, who occupies any official relation to any public utility or 26 27 who holds any other appointive or elected office of the 28 Commonwealth or any political subdivision thereof. [Commencing July 1, 1977, commissioners] Commissioners shall devote full 29 30 time to their official duties. No commissioner shall hold any - 2 -19850H0437B0491

office or position, the duties of which are incompatible with 1 the duties of his office as commissioner, or be engaged in any 2 3 business, employment or vocation, for which he shall receive any 4 remuneration, except as provided in this chapter. No employee, 5 appointee or official engaged in the service of or in any manner connected with, the commission shall hold any office or 6 7 position, or be engaged in any employment or vocation, the 8 duties of which are incompatible with his employment in the service of or in connection with the work of the commission. No 9 10 commissioner shall be paid or accept for any service connected 11 with the office, any fee or emolument other than the salary and expenses provided by law. No commissioner shall participate in 12 13 any hearing or proceeding in which he has any direct or indirect 14 pecuniary interest. Within 90 days of confirmation, each 15 commissioner shall disclose, at that time and thereafter 16 annually, the existence of all security holdings in any public 17 utility or its affiliates held by such commissioner, his or her 18 spouse and any minor or unemancipated children and must either 19 divest or place in a blind trust such securities. As used in 20 this part, blind trust means a trust over which neither the 21 commissioners, their spouses, nor any minor or unemancipated 22 children shall exercise any managerial control, and from which 23 neither the commissioners, their spouses, nor any minor or unemancipated children shall receive any income from the trust 24 25 during the commissioner's tenure of office. Such disclosure 26 statement shall be filed with the secretary of the commission 27 and shall be open to inspection by the public during the normal 28 business hours of the commission during the tenure of the commissioner. Every commissioner, and every individual or 29 30 official, <u>elected</u>, employed or appointed to office under, in the 19850H0437B0491 - 3 -

service of, or in connection with, the work of the commission, 1 is forbidden, directly or indirectly, to solicit or request 2 from, or to suggest or recommend to any public utility, or to 3 any officer, attorney, agent or employee thereof, the 4 5 appointment of any individual to any office, place or position in, or the employment of any individual in any capacity by, such 6 public utility. Every commissioner, every bureau director and 7 every administrative law judge <u>elected</u>, employed or appointed to 8 office under, in the service of or in connection with the work 9 10 of the commission, is prohibited from accepting employment with 11 any public utility subject to the rules and regulations of the commission for a period of one year after terminating employment 12 13 or service with the commission. If any person <u>elected</u>, employed 14 or appointed in the service of the commission violates any 15 provision of this section, the commission shall forthwith remove 16 him from the office or employment held by him.

17 (c) Chairman. -- A member designated by the [Governor] 18 commissioners shall be the chairman of the commission for a 19 period of two years during such member's term of office. When 20 present, the chairman shall preside at all meetings, but in his 21 absence a member, designated by the chairman, shall preside and 22 shall exercise, for the time being, all the powers of the chairman. The chairman shall have such powers and duties as 23 authorized by the commission as provided in section 331(b) 24 25 (relating to powers of commission and administrative law 26 judges).

(d) Quorum.--A majority of the members of the commission serving in accordance with law shall constitute a quorum and such majority, acting unanimously, shall be required for any action, including the making of any order or the ratification of 19850H0437B0491 - 4 - any act done or order made by one or more of the commissioners.
 No vacancy in the commission shall impair the right of a quorum
 of the commissioners to exercise all the rights and perform all
 the duties of the commission.

(e) Compensation.--Each of the commissioners shall receive
an annual salary of \$35,000, as of January 1, 1977, and \$40,000,
as of January 1, 1978, except the chairman, who shall receive an
annual salary of \$37,500, as of January 1, 1977, and \$42,500, as
of January 1, 1978.

10 (f) Open proceedings.--The proceedings of the commission 11 shall be conducted in accordance with the provisions of the act 12 of July 19, 1974 (P.L.486, No.175), referred to as the Public 13 Agency Open Meeting Law.

(g) Monitoring cases.--Each commissioner shall be responsible for monitoring specified cases as shall be assigned to him in a manner determined by the commission. All proceedings properly before the commission shall be assigned immediately upon filing.

(h) Utility Election District Committee.--The General
 Assembly shall establish a Utility Election District Committee
 composed of representatives of the majority leaders of the

22 <u>Senate and House of Representatives and the minority leaders of</u>

23 the Senate and House of Representatives.

24 (i) Donation limits.--No candidate for the office of

25 commissioner shall accept more than \$25 in donations from any

26 individual employee of utilities. Total donations from employees

27 of utilities shall not exceed \$500. No candidate for

28 commissioner shall accept donations of more than \$100 from other

29 individuals or political committees. No corporation, association

30 or private individual regulated directly by the commission shall

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make any contributions to any candidate for nomination or 1 election to the commission. 2 3 (j) Additional restrictions. -- The commissioners shall be 4 representative of the general public and no person who has held any office in, or been employed by, a public utility or any 5 business providing services to a public utility shall be 6 eligible for nomination to the office of commissioner until two 7 8 years after he has left that office or employment. 9 (k) Offers for employment. -- No commissioner or employee of the commission may accept any office or employment with a public 10 utility subject to regulation under this part until two years 11 12 have elapsed from the last day in office or employment with the 13 commission. A violation of this prohibition shall result in immediate and complete forfeiture of any claim to a public 14 pension under 71 Pa.C.S. Pt. XXV (relating to retirement for 15 State employees and officers). 16 Section 2. The terms of Public Utility Commission 17 18 commissioners appointed before the effective date of this act 19 shall terminate on the election and qualification of elected 20 Public Utility Commission commissioners.

21 Section 3. This act shall take effect immediately.