

SB268 INTRODUCED



1 SB268
2 I3S8CWZ-1
3 By Senators Singleton, Sessions, Williams, Smitherman, Jones,
4 Coleman-Madison, Figures
5 RFD: Fiscal Responsibility and Economic Development
6 First Read: 05-Feb-26



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SYNOPSIS:

The Public Service Commission regulates certain utilities in the state. The commission is comprised of three members who are elected at-large.

This bill would provide that following the terms of the members serving immediately after the November 2026 General Election, the members shall be appointed by the Governor, Speaker of the House of Representatives, and President Pro Tempore of the Senate, subject to confirmation by the Senate.

This bill would provide further for the qualifications of commissioners.

Under existing law, commissioners are prohibited from taking certain actions that would result in a conflict of interest with a utility that the commission regulates.

This bill would extend the prohibition to include actions that would result in a conflict of interest with a nonutility entity participating in a matter pending before the commission.

This bill would require periodic public informational meetings with utility representatives to provide a status update to the commission, commission staff, and the public regarding general trends in the industry.



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29 This bill would require the commission to ensure
30 that lobbying expenses are not paid by ratepayers.

31 This bill would also make nonsubstantive,
32 technical revisions to update the existing code
33 language to current style.

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A BILL

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TO BE ENTITLED

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AN ACT

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40 Relating to the Public Service Commission; to amend
41 Sections 37-1-3, 37-1-5, 37-1-6, and 37-1-7, Code of Alabama
42 1975; to provide for appointment of commissioners to the
43 Public Service Commission; to further provide for
44 qualifications of commissioners; to extend conflict of
45 interest provisions imposed on commissioners to include
46 actions with certain nonutility entities participating in
47 matters before the commission; to require the commission to
48 hold certain periodic public informational meetings with
49 utility representatives; to add Section 37-1-54.1 to the Code
50 of Alabama 1975, to require the commission to ensure lobbying
51 expenses are not charged to ratepayers; to amend Sections
52 17-14-1, 17-14-2, and 17-14-3, and 36-3-1, Code of Alabama
53 1975, to make conforming changes; and to make nonsubstantive,
54 technical revisions to update the existing code language to
55 current style.

56 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:



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57 Section 1. The Legislature hereby finds all of the
58 following:

59 (1) Alabama's current model for regulating critical
60 infrastructure and public service industries was established
61 over 100 years ago and is not the best model for ensuring that
62 Alabamians are best-served and well-positioned for future
63 challenges.

64 (2) Most states in America do not elect their state
65 regulatory bodies. Currently 40 states appoint their version
66 of the public service commission.

67 (3) There are dozens of regulatory bodies and agencies
68 in Alabama and none of them are elected. These include offices
69 regulating complex and critical industries including banking,
70 insurance, and many others.

71 (4) All current members of the public service
72 commission were initially appointed to their position by the
73 Governor.

74 (5) The law currently establishes no conflict of
75 interest restrictions on for profit and nonprofit advocacy
76 organizations' relationships with members of the commission
77 other than those entities that meet the definition of
78 "utility" under current law.

79 Section 2. Sections 37-1-3, 37-1-5, 37-1-6, and 37-1-7,
80 Code of Alabama 1975, are amended to read as follows:

81 "§37-1-3

82 (a) Members of the commission serving on the effective
83 date of this act shall continue to serve until their
84 respective terms expire.



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85 **(b)** The terms of office of the commissioners shall be
86 for four years; ~~at~~ At the election to be held in the state on
87 the first Tuesday after the first Monday in November, ~~1940,~~
88 and every four years thereafter until November 2028, a
89 president of the commission shall be elected by the qualified
90 electors of this state; and at the election to be held in the
91 state on the first Tuesday after the first Monday in November, ~~1942,~~
92 and every four years thereafter until November 2030, two
93 associates, who, with the president, shall constitute the
94 commission, shall be elected by the qualified electors of the
95 state. The result of ~~such~~ the election shall be ascertained
96 and declared by the same authority and in the same manner as
97 are the results of election for Chief Justice and associate
98 justices of the ~~Supreme Court~~ supreme court.

99 ~~(b)~~ **(c)** The ~~persons~~ individuals elected to fill the
100 offices shall enter upon the discharge of their respective
101 duties on the day after the general election at which they are
102 elected and expire on the day after the general election held
103 in the fourth year after their election.

104 ~~(c)~~ **(d)** If any vacancy ~~should occur~~ occurs in any one of
105 the offices elected under subsection (b), caused by death,
106 resignation or otherwise, the ~~same~~ office shall be filled by
107 appointment by the Governor, ~~the appointee holding for the~~
108 balance to serve for the remainder of the unexpired term. If
109 any ~~person~~ individual elected to the office of public service
110 commissioner ~~shall fail or refuse~~ fails or refuses for 30 days
111 to qualify, ~~such~~ the failure or refusal shall be held to
112 create a vacancy in the office, ~~which~~ and the vacancy shall be



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113 filled by appointment by the Governor, ~~the appointee to hold~~
114 ~~for the term for which the person so failing or refusing to~~
115 ~~qualify was elected.~~

116 (e) (1) Beginning in November 2028, upon the expiration
117 of the term of office of the president of the commission, the
118 position of president shall be filled by appointment of the
119 Governor in accordance with subdivision (3).

120 (2) Beginning in November 2030, upon the expiration of
121 the term of office of the two associate members of the
122 commission, the associate commissioner positions shall be
123 filled by appointment of the Speaker of the House of
124 Representatives and the President Pro Tempore of the Senate,
125 respectively, in accordance with subdivision (3).

126 (3) Individuals appointed to the commission pursuant to
127 this subsection shall serve for a term of four years beginning
128 on the day after the previous term of the office expired for
129 the initial appointed terms, and beginning on November 1 for
130 subsequent terms.

131 (4) All appointments under this subsection shall be
132 subject to Senate confirmation. Appointed members may begin to
133 serve on the commission even if not yet confirmed by the
134 Senate. If an appointed member of the commission is not
135 confirmed during the first regular session of the Legislature
136 following his or her appointment, the respective appointing
137 authority shall appoint another individual who shall
138 immediately begin serving and be subject to Senate
139 confirmation no later than the next regular legislative
140 session.



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141 (5) In addition to any other requirements set forth in
142 this chapter, in making appointments to the commission, the
143 respective appointing authorities shall select individuals
144 with experience relevant to the duties of the commission
145 including, but not limited to, experience with utility
146 regulation, energy or infrastructure policy or issues,
147 regulatory issues, economics, law, engineering, finance,
148 accounting, business, or economic growth issues. Each member
149 appointed to the commission must be a resident of this state
150 and of high moral character and ability.

151 (6) The respective appointing authorities shall
152 coordinate appointments so that the commission membership is
153 inclusive and reflects the racial, gender, geographic, urban,
154 rural, and economic diversity of the state.

155 (7) If a vacancy occurs in one of the appointed seats
156 on the commission under this subsection, a new member shall be
157 appointed by the respective appointing authority to serve for
158 the unexpired term and shall be subject to Senate confirmation
159 as further provided for in subdivision (4).

160 (f) A member of the commission may be appointed to more
161 than one term.

162 ~~(d)~~ (g) The provisions of this section shall not
163 diminish the ~~current term of any member terms~~ elected to the
164 Public Service Commission before the effective date of this
165 act."

166 "§37-1-5

167 No public service commissioner or clerk of the
168 commission shall, during his or her continuance in office,



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169 personally or through any partner or agent, render any
170 professional service for public utilities or for any
171 nonutility entity participating in matters pending before the
172 commission."

173 "§37-1-6

174 ~~No person owning~~ An individual who owns any stock in,
175 ~~any utility, or in the employment of any utility or~~
176 ~~pecuniarily interested~~ is employed by, or has a pecuniary
177 interest in any utility, ~~as defined in this title, shall be or~~
178 any nonutility entity participating in matters pending before
179 the commission is not eligible to the office of public service
180 commissioner."

181 "§37-1-7

182 (a) The commissioners may be impeached and removed from
183 office by the supreme court for the same causes and in the
184 same manner as other state officers, ~~and~~ and any commissioner who
185 ~~shall accept~~ accepts directly or indirectly any gift,
186 gratuity, emolument, or employment from any person, ~~firm,~~
187 ~~corporation, company or association,~~ owning or operating in
188 whole or in part in this state a utility, ~~as defined in this~~
189 ~~title,~~ or any nonutility entity participating in matters
190 pending before the commission during his or her term
191 ~~continuance~~ in office, ~~except a pass for himself or any~~
192 ~~employee of the commission on official business,~~ shall forfeit
193 his or her office and may be impeached and removed from office
194 ~~therefor, or for any other cause of impeachment.~~

195 (b) Consistent with its duties and responsibilities
196 under this chapter, at least annually, the commission, through



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197 its staff, shall convene a public meeting with utility
198 representatives to provide information to the commission, its
199 staff, and the public on cost trends, reliability, resilience,
200 general infrastructure investment plans, competitiveness with
201 peer states, economic development impacts, and other
202 regulatory issues the commission deems relevant. It is the
203 intent that these meetings be conducted in a manner that
204 facilitates public participation and provides a review of key
205 issues that the commission believes will be helpful to the
206 public in understanding issues that impact services under its
207 jurisdiction."

208 Section 3. Section 37-1-54.1 is added to the Code of
209 Alabama 1975, to read as follows:

210 §37-1-54.1

211 Consistent with its authority under this chapter, the
212 commission shall establish, adopt, or implement requirements
213 as necessary to ensure that all lobbying expenses are
214 appropriately charged under the commission's system of
215 accounts in such a manner that those expenses are not charged
216 to ratepayers.

217 Section 4. Sections 17-14-1, 17-14-2, 17-14-3, and
218 36-3-1, Code of Alabama 1975, are amended to make conforming
219 changes to read as follows:

220 "§17-14-1

221 The following officers in this state shall be elected
222 by the qualified electors thereof: Governor, Lieutenant
223 Governor, Attorney General, Auditor, Secretary of State,
224 Treasurer, Commissioner of Agriculture and Industries, ~~public~~



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225 ~~service commissioners,~~ senators and representatives in the
226 Legislature, Chief Justice and associate justices of the
227 Supreme Court, judges of the courts of appeals, circuit
228 courts, and district courts, district attorneys, judges of the
229 probate court, sheriffs, coroners, clerks of the circuit
230 courts, tax assessors, tax collectors, county treasurers in
231 counties of more than 56,000 population, as provided by law,
232 members of county commissions, constables, representatives in
233 Congress, United States senators, electors for President and
234 Vice President of the United States, and such other officers
235 as may be required by law to be elected by the people, when
236 not otherwise specially provided for."

237 "§17-14-2

238 General elections throughout the state shall be held
239 for Governor, Lieutenant Governor, Attorney General, Auditor,
240 Secretary of State, Treasurer, Commissioner of Agriculture and
241 Industries, ~~three public service commissioners, no two of whom~~
242 ~~shall be elected from the same congressional district,~~ Chief
243 Justice and associate justices of the Supreme Court, judges of
244 the courts of appeals, electors for President and Vice
245 President of the United States, United States senators, and
246 such other officers as may be required by law to be elected by
247 the voters of the entire state; for a member of Congress in
248 each congressional district; judges of the circuit court in
249 each judicial circuit; judges of the district courts in each
250 district; district attorneys in each judicial circuit; a
251 senator in each senatorial district; a representative in the
252 Legislature in each house district; a judge of the probate



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253 court, sheriff, clerks of the circuit courts, tax assessor,
254 tax collector, a county treasurer in counties of more than
255 56,000 population, as provided by law, coroner, and members of
256 the county commission in each county, and constables in each
257 precinct of the county."

258 "§17-14-3

259 The Governor, Lieutenant Governor, Attorney General,
260 Auditor, Secretary of State, Treasurer, Commissioner of
261 Agriculture and Industries, senators and representatives in
262 the Legislature, a sheriff in each county, one coroner in all
263 counties having a coroner, and other officers not otherwise
264 provided for, shall be elected on the first Tuesday after the
265 first Monday in November 2006, and every fourth year
266 thereafter. ~~A president of the Public Service Commission shall
267 be elected on the first Tuesday after the first Monday in
268 November 2008, and every fourth year thereafter. Two associate
269 public service commissioners shall be elected on the first
270 Tuesday after the first Monday in November 2006, and every
271 fourth year thereafter."~~

272 "§36-3-1

273 The Governor, Lieutenant Governor, Attorney General,
274 Auditor, Secretary of State, Treasurer, and Commissioner of
275 Agriculture and Industries, ~~the President of the Public
276 Service Commission and two associate public service
277 commissioners~~ shall hold their respective offices for the term
278 of four years from the time of their installation in office
279 and until their successors shall be elected and qualified,
280 such installation to take place on the first Monday after the



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281 second Tuesday in January next after their election."

282 Section 5. This act shall become effective on December

283 1, 2026.