Amend CSHB 7 (house committee printing) as follows:

(1) On page 17, line 16, add the following immediately after the period:

Money distributed from the system benefit fund to a municipally owned utility or an electric cooperative shall be proportional to the nonbypassable fee paid by the municipally owned utility or the electric cooperative. On request by a municipally owned utility or electric cooperative, the commission shall reduce the nonbypassable fee imposed on retail electric customers served by the municipally owned utility or electric cooperative by an amount equal to the amount provided by the municipally owned utility or electric cooperative or its ratepayers for local low-income programs.

(2) On page 19, line 10, between "appropriate" and the period, insert:

", so that the total of the discounts provided under this section is proportional to the total of the nonbypassable fees imposed as provided by Section 39.9035(e) that are collected from the retail electric customers of the utility or cooperative".