

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3746-01
Bill No.: HB 1156
Subject: Public Service Commission; Energy; Utilities
Type: Original
Date: January 30, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Department of Economic Development - Public Service Commission (PSC)** state companies regulated under Section 392.245 have submitted rate changes to the PSC with the assumption that rates submitted pursuant to Section 392.245 are presumed just and reasonable upon submission. This premise was recently challenged because of references to the provisions of Section 392.200 within the text of Section 392.245. The bill adds language to clarify that only Subsections 2 through 5 of Section 392.200 are applicable to the review of rates submitted pursuant to Section 392.245; thus, all rate changes submitted pursuant to Section 392.245 are presumed just and reasonable upon submission to the PSC.

PSC anticipates no costs due to this proposal.

Officials of the **Department of Economic Development - Office of the Public Counsel (OPC)** state although this bill has some impact on OPC, OPC should be able to absorb the changes; however, if the requirements of this bill are combined with additional requirements or changes OPC may incur a fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal rather than requiring that a rate change be done in a manner consistent with all of Section 392.200, RSMo, this bill allows incumbent local exchange telecommunications companies to change their rates in a manner consistent with Subsections 2 through 5 of Section 392.200.

These subsections relate to rate setting, whereas Subsections 6 through 9 relate to the manner in which telephone messages are transmitted and received. Subsection 1 does relate to rate setting and states that all charges assessed by a telephone company must be just, reasonable, and within legal limits.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

Department of Economic Development
Public Service Commission
Office of the Public Counsel

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive style with a large initial "M".

Mickey Wilson, CPA
Director
January 30, 2004