

**STORAGE NAME:** s1052s1.uco

**DATE:** March 25, 1998

**HOUSE OF REPRESENTATIVES  
COMMITTEE ON  
UTILITIES AND COMMUNICATIONS  
BILL RESEARCH & ECONOMIC IMPACT STATEMENT**

**BILL #:** CS/SB 1052

**RELATING TO:** Florida Public Service Commission

**SPONSOR(S):** Committee on Regulated Industries and Senator Lee

**COMPANION BILL(S):**

**ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:**

- (1) UTILITIES AND COMMUNICATIONS
  - (2)
  - (3)
  - (4)
  - (5)
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**I. SUMMARY:**

Pursuant to the procedures outlined in the 1996 amendments to the Florida Administrative Procedures Act (APA), the Public Service Commission (PSC) has identified existing rules which lack specific statutory authority. These rules relate to purchasing, utility responsibility for supplying notification of a name change, and utility responsibility for ownership, or long-term continued use, of the land upon which its facilities are located.

The bill would authorize the PSC to adopt procedures for the purchase of commodities and services, including vehicles, office space, and contractual services.

The bill would authorize the PSC to adopt rules requiring a water and wastewater utility to provide appropriate proof of ownership, or the right to long-term, continued use of the land upon which it facilities are located.

The bill would authorize the PSC to adopt rules requiring a water and wastewater utility to notify the commission before changing its name and the procedures for notifying its customers.

This bill would take effect upon becoming law.

II. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

The Legislature adopted a comprehensive rewrite in 1996 of the Administrative Procedures Act (APA). In order to accomplish the stated purpose of the enabling statutes, the revised APA dictated agencies have specific rulemaking authority in the statutes. By October 1, 1997, all agencies were required to notify the Joint Administrative Procedures Committee (JAPC) of all existing rules, or portions thereof, adopted before October 1, 1996, and now exceeding the agency's statutory rulemaking authority under the stricter APA rulemaking standard. If the agency does not secure specific legislative authority during the 1998 regular session, the agency must initiate rulemaking by January 1, 1999, to repeal the identified rules. Effective July 1, 1999, the JAPC or any substantially affected person has standing to petition the agency to repeal identified rules that have not yet been repealed by the agency.

The PSC is seeking specific authorizing legislation for several rules which it has identified as lacking adequate statutory authority. These rules include those of Chapter 25-25, Florida Administrative Code, relating to purchasing; Rules 25-30.034(1)(e), 25-30.035(6), 25-30.36(3)(d), 25-30.433(10), and 25-30.436(4)(i), Florida Administrative Code, relating to property ownership or right to continued long-term use of the land upon which water and wastewater treatment facilities are located; Rule 25-30.039, Florida Administrative Code, relating to notification requirements regarding utility name change.

B. EFFECT OF PROPOSED CHANGES:

The bill would authorize the PSC to adopt procedures for purchase of commodities and services, including vehicles, office space, and contractual services.

The bill would authorize the PSC to adopt rules requiring appropriate proof of ownership and the right to long-term, continued use of the land upon which it facilities are located.

The bill would authorize the PSC to adopt rules requiring a water and wastewater utility to notify the commission before changing its name and the procedures for notifying its customers.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

N/A

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- (2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

N/A

- (3) any entitlement to a government service or benefit?

N/A

- b. If an agency or program is eliminated or reduced:

- (1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

- (2) what is the cost of such responsibility at the new level/agency?

N/A

- (3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

- a. Does the bill increase anyone's taxes?

N/A

- b. Does the bill require or authorize an increase in any fees?

N/A

- c. Does the bill reduce total taxes, both rates and revenues?

N/A

- d. Does the bill reduce total fees, both rates and revenues?

N/A

- e. Does the bill authorize any fee or tax increase by any local government?

N/A

3. Personal Responsibility:

- a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

N/A

- b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

N/A

4. Individual Freedom:

- a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

N/A

- b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

N/A

5. Family Empowerment:

- a. If the bill purports to provide services to families or children:

- (1) Who evaluates the family's needs?

N/A

- (2) Who makes the decisions?

N/A

- (3) Are private alternatives permitted?

N/A

- (4) Are families required to participate in a program?

N/A

(5) Are families penalized for not participating in a program?

N/A

b. Does the bill directly affect the legal rights and obligations between family members?

N/A

c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

(1) parents and guardians?

N/A

(2) service providers?

N/A

(3) government employees/agencies?

N/A

D. STATUTE(S) AFFECTED:

N/A

E. SECTION-BY-SECTION RESEARCH:

This section need be completed only in the discretion of the Committee.

III. FISCAL RESEARCH & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

N/A

2. Recurring Effects:

N/A

3. Long Run Effects Other Than Normal Growth:

N/A

4. Total Revenues and Expenditures:

N/A

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

N/A

2. Recurring Effects:

N/A

3. Long Run Effects Other Than Normal Growth:

N/A

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

N/A

2. Direct Private Sector Benefits:

N/A

3. Effects on Competition, Private Enterprise and Employment Markets:

N/A

D. FISCAL COMMENTS:

N/A

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to spend funds or to take action requiring the expenditure of funds.

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**B. REDUCTION OF REVENUE RAISING AUTHORITY:**

This bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate.

**C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:**

This bill does not reduce the percentage of a state tax shared with counties or municipalities.

**V. COMMENTS:**

N/A

**VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:**

N/A

**VII. SIGNATURES:**

**COMMITTEE ON UTILITIES AND COMMUNICATIONS:**

Prepared by:

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