

STORAGE NAME: h4115.uco

DATE: March 19, 1998

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

BILL #: HB 4115

RELATING TO: Telecommunications

SPONSOR(S): Committee on Utilities and Communications and Representative Arnall

COMPANION BILL(S):

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

(1) UTILITIES AND COMMUNICATIONS YEAS 13 NAYS 0

(2)

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(5)

I. SUMMARY:

The bill deletes obsolete language from s. 364.0251, Florida Statutes, while preserving a consumer information program created by the section.

The bill does not have a fiscal impact.

The bill takes effect upon becoming a law.

II. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

During the interim, the Speaker directed House committees to work jointly with the Senate and the Governor to identify all the functions and activities assigned to the various agencies by the Legislature. The Committee on Utilities and Communications and the Committee on Transportation and Economic Development Appropriations identified those functions and activities statutorily assigned to the Public Service Commission. One phase of the project was to identify unnecessary and obsolete language in the statutes governing the Public Service Commission. Because chapter 364, Florida Statutes, was substantially rewritten in 1995, and the transition to a competitive market is ongoing pursuant to both the Florida and Federal Telecommunications Acts very little unnecessary and obsolete language was identified by the project.

Section 364.0251, Florida Statutes, provides that the Public Service Commission is required to implement a consumer information program by January 1, 1996 to inform consumers about the new local telephone providers, their rights concerning the new alternative providers, and any other information the commission deems appropriate. The commission currently maintains an ongoing consumer program on all aspects of the new competitive telecommunications market.

B. EFFECT OF PROPOSED CHANGES:

This bill deletes the January 1, 1996 deadline by which the commission was to establish the consumer information program. The bill provides that the commission will maintain the consumer information program to the extent necessary to protect the public.

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?

No.

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

No.

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

No.

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?

No.

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

No.

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

No.

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

No.

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

No.

3. Personal Responsibility:

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

No.

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

No. The beneficiaries of this legislation are consumers of telecommunications services; the PSC operates with revenues obtained through regulatory fees assessed on the regulated companies.

4. Individual Freedom:

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

No.

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

No.

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.

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(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?

No.

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:

Section 364.0251, Florida statutes.

E. SECTION-BY-SECTION RESEARCH:

N/A.

III. FISCAL RESEARCH & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

None. The bill maintains an existing program.

2. Recurring Effects:

None.

3. Long Run Effects Other Than Normal Growth:

None.

4. Total Revenues and Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

None.

2. Recurring Effects:

None.

3. Long Run Effects Other Than Normal Growth:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

None.

2. Direct Private Sector Benefits:

Promotes fair competition and informed consumers of competitive services.

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

Informs consumers about competitive telecommunications market.

D. FISCAL COMMENTS:

None.

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 an 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:

The organization of chapter 364, Florida Statutes, is misleading in that it is written as if local exchange companies are rate base, rate of return regulated. However, most such companies have elected price regulation and therefore, are exempt from many of the provisions of the chapter pursuant to section 364.051(1)(c), Florida Statutes. The chapter would benefit from being reorganized to reflect this change in the regulatory environment.

The bill was passed unanimously by committee. The committee recommended that the Economic Impact Council close this bill under Rule 67.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

N/A

VII. SIGNATURES:

COMMITTEE ON UTILITIES AND COMMUNICATIONS:

Prepared by:

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