

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: Communications and Public Utilities Committee

BILL: SB 1496

SPONSOR: Senator Fasano

SUBJECT: Florida Public Service Regulatory Trust Fund

DATE: February 25, 2005

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Halloran	Caldwell	CU	Favorable
2.	_____	_____	GE	_____
3.	_____	_____	TA	_____
4.	_____	_____	WM	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

The bill amends Chapters 350, 364, 366, 367, and 368, F.S., to provide that penalties, interest, and liens assessed and collected by the Public Service Commission (PSC or commission) from a regulated company would supplement current funding of the Florida Public Service Regulatory Trust Fund. Currently, penalties and interest are to be deposited in the General Revenue Fund unallocated. The bill requires that the commission annually submit to the Legislature proposed uses for the penalties and interest collected, which may include, in addition to agency operating costs, promotional or educational activities for the benefit of consumers.

This bill substantially amends the following sections of the Florida Statutes: 350.113, 350.127, 364.285, 364.516, 366.095, 367.161, 368.061, 368.111.

II. Present Situation:

In general, Chapter 350, F.S., details the configuration and operation of the PSC. Section 350.113, F.S., creates the Florida Public Service Regulatory Trust Fund. The PSC regulates designated utilities under the following statutes: Chapter 364 (telecommunications companies), Chapter 366 (primarily investor-owned electric utilities), Chapter 367 (water and wastewater systems), and Chapter 368 (gas transmission and distribution).

Currently, penalties, interest, and liens assessed and collected from regulated companies for violations of a rule, order, or statute administered by the PSC are deposited into the General Revenue Fund. The PSC presently has no authority to use those funds. The Florida Public Service Regulatory Trust Fund currently derives revenue from regulatory assessment fees paid by companies subject to PSC jurisdiction, as defined by statute.

III. Effect of Proposed Changes:

The bill amends Chapters 350, 364, 366, 367, and 368, F.S., to provide that penalties, interest, and liens assessed and collected by the commission from a regulated company would supplement current funding of the Florida Public Service Regulatory Trust Fund. Currently, penalties and interest are to be deposited in the General Revenue Fund unallocated. The bill requires that the commission annually submit to the Legislature proposed uses for the penalties and interest collected, which may include, in addition to agency operating costs, promotional or educational activities for the benefit of consumers.

The bill is to take effect on July 1, 2005.

IV. Constitutional Issues:**A. Municipality/County Mandates Restrictions:**

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

According to the Public Service Commission, this bill could result in an estimated fiscal impact of \$1,000,000 to \$3,000,000 non-recurring revenue annually. The level of the funding would depend on the amount of penalties assessed by the PSC, interest accrued, and the amount of penalties and interest actually collected. This amount will vary from year to year. Over the past several years, the level of collection has ranged from \$3,603,109 to \$2,306,108. The current fiscal year to date collection is \$866,812.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.

VIII. Summary of Amendments:

None.

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