

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Provide Limited Government-The PCB removes obsolete statutory language relating to the Public Service Commission, and repeals its authority over coal slurry pipelines. It also deletes regulatory assessment fee rates in ch. 350, F.S., which are inconsistent with industry-specific statutes.

B. EFFECT OF PROPOSED CHANGES:

Background

In September, 2005, the Auditor General issued an operational audit report on the Florida Public Service Commission (Commission), report Number 2006-021, entitled Public Service Commission Regulatory Audits and Personnel Administration. One of the findings in this report was that some of the sections of Chapter 350, F.S., relating to the railroad industry, the position of chief internal auditor, and maximum regulatory assessment rates were no longer reflective of current Commission practices. Despite the fact that the Commission's jurisdiction over the railroad industry ended with the industry's deregulation in 1985, ss. 350.011, 350.113(3)(a), and 350.117(2), F.S., continue to include references or requirements applicable to the railroad industry. Additionally, s. 350.051, F.S., specifies the qualifications of the chief auditor and designates that the chief auditor is the director of the Commission's accounting department. The Commission's current organizational structure does not include an accounting department. The functions formerly performed by the Director of the Accounting Department are now performed by the Chief of the Bureau of Auditing and do not need statutory reference.

Finally, s. 350.113(3), F.S., sets out regulatory assessment fee maximums for the telecommunications, gas, and water and wastewater industries that are inconsistent with the assessment fee maximums specified in the industry-specific statutes (364.336, 366.14(2) and (3), and 367.145(1), F.S., respectively). The Auditor General's report recommended that these statutes be amended to eliminate outdated or inappropriate requirements and eliminate regulatory assessment fee maximums that are inconsistent with the more recent industry-specific statutes.

Proposed Changes

The bill makes the statutory changes recommended in the Auditor General's report. It corrects cross-references related to the appointment of Commissioners in s. 350.031, F.S.

Section 1

The bill amends provisions in s. 350.01, F.S., relating to appointment of Commissioners and hearing examiners. The bill clarifies that the term for a Public Service Commissioner begins on January 2nd of the year of appointment and ends on January 1st four years later. The bill deletes a reference to "the commission's office of hearing examiners" as the Commission no longer has such an office, but instead has staff attorneys who serve as hearing examiners.

Section 2

The bill amends s. 350.011, F.S., deleting references to the transition from the "Florida Railroad and Public Utilities Commission" to the "Florida Public Service Commission." The original title dates to the creation of the Chapter in 1897.

Section 3

The bill repeals s. 350.051, F.S., which designates the Commission's Chief Auditor as the director of the accounting department. The Commission no longer has this department.

Section 4

The bill amends s. 350.06, F.S., deleting obsolete provisions relating to the Commission's official reporters. These provisions contain an obsolete salary cap, conflicting provisions on fees for copies of transcripts, and requires a report that is not needed for internal fiscal controls. The bill also changes the Commission's fees for copying, certifying, or providing orders, transcripts and similar documents to the same fees that are allowed to be charged by the clerk of the circuit court. These fees are to be no more than those of the court clerk.

Section 5

The bill amends s. 350.113, F.S., to delete provisions for maximum regulatory assessment fees that conflict with the maximum set forth in the industry-specific statutes. This change was recommended as part of the Auditor General's Report.

Section 6

The bill amends s. 350.117, F.S., to delete a reference to regulation of railroads.

Section 7

The bill repeals s. 350.80, F.S., which provides for the Commission's regulation of coal slurry pipelines. No coal slurry pipeline has ever been proposed in Florida. According to the Commission, instead of using such pipelines to bring coal into Florida from coal producing states to generate electricity, two 500 KV electric transmission lines were constructed to bring in coal based electricity from Georgia under long term contracts. Additionally, a footnote to this statute states that "Section 5, ch. 79-236, provides that '[t]his act shall take effect when every state in which the coal slurry pipeline will pass en route to Florida has enacted laws granting eminent domain authority to coal slurry pipeline companies or other entities operating or proposing to operate a coal slurry pipeline, and when the appropriate governmental authority has guaranteed in writing to the Public Service Commission that a continuous source of water shall be available for use in said coal slurry pipeline.'" Georgia has never granted eminent domain authority, so this section never became effective.

Section 8

The bill amends s. 361.08, F.S., to delete subsection (d) on condemnation proceedings on coal slurry pipelines as contemplated in s. 350.80, F.S., which is to be repealed in Section 7 of the bill.

Section 9

This act shall take effect July 1, 2006.

C. SECTION DIRECTORY:

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| Section 1 | Amends s. 350.01, F.S., relating to the term of Florida Public Service Commissioners, and Commission proceedings. |
| Section 2 | Amends s. 350.011, F.S., relating to the jurisdiction, powers and duties of the Florida Public Service Commission |
| Section 3 | Repeals s. 350.051, F.S., relating to the Commission's chief auditor. |
| Section 4 | Amends s. 350.06, F.S., relating to the Commission's place of meeting; expenditures; employment of personnel; records availability and fees. |
| Section 5 | Amends s. 350.113, F.S., relating to the Florida Public Service Commission Regulatory Trust Fund. |
| Section 6 | Amends s. 350.117, F.S., to delete a reference to railroads. |
| Section 7 | Repeals s. 350.80, F.S., relating to the regulation of coal slurry pipelines. |

Section 8 Amends s. 361.08, F.S., to conform to the repeal of s. 350.80, F.S.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None

2. Expenditures:

None

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None

D. FISCAL COMMENTS:

None

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds. The bill does not reduce the percentage of a state tax shared with counties or municipalities. This bill does not reduce the authority that municipalities have to raise revenue.

2. Other:

None

B. RULE-MAKING AUTHORITY:

None

C. DRAFTING ISSUES OR OTHER COMMENTS:

None

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES