

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0985-06
Bill No.: HCS for SS for SCS for SB 237
Subject: Public Service Commission; Telecommunications
Type: Original
Date: April 18, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>Other</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 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials with the **Department of Transportation and Missouri House of Representatives** assume this proposal would have no fiscal impact on their agencies.

Officials with the **Department of Economic Development – Public Service Commission (PSC)** assume this legislation will make it easier for telecommunications companies to qualify for competitive status and to qualify for price cap regulation. The bills will also provide greater pricing flexibility for telecommunications companies. PSC assumes it will have less of a role in determining the reasonableness of a company’s earnings and/or rates, but also assumes no significant fiscal impact on its agency.

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

Officials from the **Office of Secretary of State (SOS)** assume the proposal may result in the Public Service Commission rescinding, amending, or promulgating rules to implement the

ASSUMPTION (continued)

provisions of this act. These rules would be published in the Missouri Register and the Code of State Regulations. These rules could require as many as 24 pages in the Code of State Regulations and half again as many pages in the Missouri Register, as cost statements, fiscal notes, and the like are not repeated in the Code. The estimated cost of a page in the Missouri Register is \$23 and the estimated cost of a page in the Code of State Regulations is \$27. Based on these costs, the estimated cost of the proposal is \$1,476 in FY 06 and unknown in subsequent years. The actual cost could be more or less than the numbers given. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded, or withdrawn.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which would require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This telecommunications regulatory changes contained within this legislation could result in either increased or decreased telecommunication costs paid by small businesses, depending on the degree of competitive pricing pressures that emerge.

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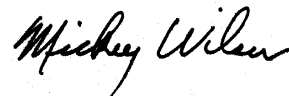
DESCRIPTION

This legislation modifies various telecommunications regulations.

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

SOURCES OF INFORMATION

Department of Economic Development
Public Service Commission
Office of Public Counsel
Department of Transportation
Missouri House of Representatives
Office of Secretary of State



Mickey Wilson, CPA
Director
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