

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1152-01
Bill No.: SB 218
Subject: Public Service Commission; Telecommunications
Type: Original
Date: February 4, 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 3 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 Economic Development – Public Service Commission (PSC)** assume this proposal changes method of regulation of small incumbent local exchange carriers. Instead of coming the PSC for a rate case for certain rate adjustments, the carriers would file tariffs under 392.245 RSMo for rate changes. PSC assumes no fiscal impact to their agency.

Officials with the **Department of Economic Development – Office of Public Counsel (OPC)** assume legislation could have an undetermined fiscal impact on their agency, but that such costs could be absorbed. However, if the requirements of this proposal are combined with future additional requirements or changes, OPC may request additional resources.

<u>FISCAL IMPACT - State Government</u>	FY 2006	FY 2007	FY 2008
	(10 Mo.)		
	<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 act would relax standards for rate adjustments for small incumbent local exchange carriers (ILEC's). Small ILEC's would be able to adjust rates pursuant to 392.245 RSMo instead of coming to the Public Service Commission for a rate case and earnings review, which might result in positive fiscal impact.

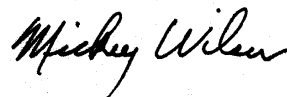
DESCRIPTION

This legislation allows Incumbent Local Exchange Carriers to be regulated under price cap provisions.

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



Mickey Wilson, CPA
Director
February 4, 2005