

COMMITTEE ON LEGISLATIVE RESEARCH
 OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0124-02
Bill No.: SB 150
Subject: Public Service Commission; Utilities; Crimes and Punishment
Type: #Corrected
Date: January 26, 2001
Corrected description on page 3

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Economic Development - Public Service Commission (PSC)**, **Department of Economic Development - Office of Public Counsel (OPC)** and the **Department of Natural Resources (DNR)** assume the proposed legislation would have no fiscal impact on their agencies.

In response to a similar proposal from this session (HB 102), officials from the **City of St. Joseph** noted no fiscal impact as the city does not own a gas plant.

In response to a similar proposal from this session (HB 102), officials from the **City of Springfield** noted that the increase in costs from this proposal is impossible to calculate. Officials also noted that there would not be an increase unless the city is guilty of a violation of federal gas pipeline safety standards.

Oversight assumes if a municipality is found to be in violation, a penalty would result and there would be a fiscal impact to the extent of the penalty amount cited in the proposed legislation.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.) \$0	FY 2003 \$0	FY 2004 \$0
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<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.) \$0	FY 2003 \$0	FY 2004 \$0
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FISCAL IMPACT - Small Business

Small businesses could have a direct fiscal impact as a result of this proposal to the extent that the small utility/business would be subject to increased maximum penalty amounts for each violation (\$10,000 instead of \$2,000).

DESCRIPTION

#This proposal makes municipalities that own a gas plant responsible for paying not less than

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\$100 and no more than \$2,000 per offense for violations of certain laws and Public Service Commission rules. Currently, the law applies to any corporation, person, or public utility. This proposal also adds a provision for federally required state remedies for violations of federal gas pipeline safety standards. The state remedy is a fine not to exceed \$10,000 per violation up to a maximum of \$500,000 for any related series of violations. The proposal establishes elements for the commission to consider in determining the amount of the penalty.

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
Department of Economic Development - Office of Public Counsel
Department of Natural Resources
City of St. Joseph
City of Springfield



Jeanne Jarrett, CPA
Director

January 26, 2001