

MAINE STATE LEGISLATURE

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STATE OF MAINE
 HOUSE OF REPRESENTATIVES
 109TH LEGISLATURE
 FIRST REGULAR SESSION

(Filing No. H-322)

COMMITTEE AMENDMENT "B" to H.P. 380, L.D. 487, Bill, "AN ACT to Establish Assessments Upon Certain Public Utilities and to Authorize Use of the Funds Generated by Those Assessments to Pay Certain Expenses of the Public Utilities Commission."

Amend the Bill by striking out everything after the enacting clause and inserting in its place the following:

Sec. 1. 35 MRS §17 is enacted to read:

§17. Funding of the Commission

1. Utilities subject to assessments. Every electric, gas, telegraph, telephone and water utility subject to regulation by the commission shall be subject to an assessment of not more than .25% of the intrastate gross operating revenues of each utility. The commission shall determine the assessments annually prior to May 1st. Each utility shall pay the assessment charged to the utility in 2 equal installments. One installment shall be due no later than July 1st and the 2nd installment shall be due no later than January 2nd of each fiscal year except that in 1980, the first installment shall be due no later than June 15th. Utility assessment as provided in this section, shall be considered just and reasonable operating costs of the utilities for rate making purposes.

A. For the purposes of this section, intrastate gross operating revenues shall mean intrastate revenues derived from basic filed rates except revenues derived from fuel adjust-

ment charges, sales for resale and from sales tax revenues derived from retail intrastate sales.

2. Legislative approval of budget. The budget of the Public Utilities Commission for the biennium shall be approved by the Legislature during the First Regular Session of the Legislature.

3. Deposit of funds. All revenues derived from assessments levied against the utilities described in this section shall be deposited with the Treasurer of State in a separate account to be known as the Public Utilities Commission Regulatory Fund.

4. Use of funds. All funds deposited with the Treasurer of State as defined in ^{subsection 3} shall be used to defray the expenses to be incurred by the commission in the fiscal year immediately following the assessment pursuant to this Title to include administrative expenses, general regulatory expenses, consulting fees and all other reasonable costs incurred to administer the provisions of chapters 1 to 17.

5. Unexpended funds. Any amount of the funds, that is not expended at the end of a fiscal year shall not lapse, but shall be carried forward to be expended for the purposes specified herein in succeeding fiscal years. In the event that the total amount remaining in the fund at the end of any fiscal year exceeds \$150,000, any expended amount in excess of \$150,000 shall be credited against the 2nd installment of the assessment to be made in the following fiscal year.

6. Penalty. Any utility, subject to provisions of this section, that knowingly fails to pay the assessments in accor-

dance with the provisions of this section commits a civil violation for each day that payment has not been made, for which a forfeiture of not more than \$500 per day may be adjudged.

7. Expiration date. This section shall be repealed on June 30, 1984.

Collection of sales tax.
8. Every public utility subject to this section shall collect the sales tax due on its intrastate retail sales in accordance with Title 36, ^{chapter 213,} provided that the monthly sales tax payment to the State Tax Assessor, under Title 36, ^{chapter 219}, from every public utility shall be equal to the total sales tax liability of each utility as determined under ^{Title 36, chapter 213}, less 1/12 of the assessment as provided in subsection 1.

Sec. 2. Appropriation. The following funds shall be appropriated from the General Fund to carry out the purposes of this Act.

	1980-1981
PUBLIC UTILITIES COMMISSION	
Positions	(-32)
Personal Services	(\$626,264)
All Other	(\$152,800)
Capital	(\$ 2,000)
Total	(\$781,064)

All positions previously funded from the General Fund shall be funded from the special fund set forth in subsection 3.

Sec. 3. Effective date. This Act shall take effect on July 1, 1980.

FISCAL NOTE

This bill will have no impact on state revenues. The reduction in sales tax revenues will be offset by General Fund savings.

STATEMENT OF FACT

The intent of this amendment is to fund the total costs of the Public Utilities Commission, except the Transportation Division from utility assessments. According to this amendment, all utilities under the jurisdiction of the Commissioner, except transportation companies, will be subject to a maximum assessment of .25% of gross intrastate operating revenues. Revenues derived from fuel adjustment charges, from sales for resale and from sales tax charges are excluded. The assessments charged to utilities will be funded from sales tax revenues levied on utilities. As a result, there will be no increase in utility rates. In addition, the loss in sales tax revenues will be offset by the savings incurred by elimination funding of the Public Utilities Commission from the General Fund. The revenues will be deposited in a separate account with the Treasurer of state to pay all costs pursuant to Title 35. In the event that funds in excess of \$150,000 develop, the excess funds will be credited the utility assessments. At the present time the Transportation Division of the PUC is funded from dedicated revenues.

The budget of the Public Utilities Commission will be approved by the Legislature in the same manner as the General Highway Fund is approved by the Legislature.

This bill removes the appropriation to the General Fund from the budget and requires legislative approval of the PUC budget.

In the first year, 1980, the first assessment shall be due on June 15th. Thereafter, the first assessment shall be due on July 1st of every fiscal year.

Reported by Report B of the Committee on Public Utilities
Reproduced and distributed under the direction of the
Clerk of the House.
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