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**By: Delegates Klausmeier and D. Hughes**

Introduced and read first time: February 14, 1996

Assigned to: Environmental Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **Public Service Companies - Small Business Impact**

3 FOR the purpose of requiring a public service company to submit certain documents  
4 concerning economic impact on small businesses to the Public Service Commission  
5 when applying for certain actions by the Commission; prohibiting the Commission  
6 from granting certain actions concerning a public service company under certain  
7 circumstances; defining certain terms; and generally relating to public service  
8 company regulation and economic impact on small businesses.

9 BY renumbering

10 Article 78 - Public Service Commission Law

11 Section 28 1/2

12 to be Section 28.2

13 Annotated Code of Maryland

14 (1995 Replacement Volume)

15 BY adding to

16 Article 78 - Public Service Commission Law

17 Section 28.1 to be under the existing subheading "Affirmative Duties"

18 Annotated Code of Maryland

19 (1995 Replacement Volume)

20 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
21 MARYLAND, That Section(s) 28 1/2 of Article 78 - Public Service Commission Law of  
22 the Annotated Code of Maryland be renumbered to be Section(s) 28.2.

23 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland  
24 read as follows:

25 **Article 78 - Public Service Commission Law**

26 Affirmative Duties

27 28.1.

28 (A) (1) IN THIS SECTION THE FOLLOWING TERMS HAVE THE MEANINGS  
29 INDICATED.

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1                   (2) "ECONOMIC IMPACT ANALYSIS" MEANS AN ESTIMATE OF THE COST  
2 OR THE ECONOMIC BENEFIT TO SMALL BUSINESSES THAT MAY BE AFFECTED BY A  
3 PROPOSED GRANT OF A FRANCHISE, A CHANGE IN RATES, OR THE ISSUANCE OF A  
4 CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY.

5                   (3) "ECONOMIC IMPACT ANALYSIS RATING" MEANS AN ESTIMATE THAT  
6 A PROPOSED ACTION WILL HAVE:

7                   (I) MINIMAL OR NO ECONOMIC IMPACT ON SMALL BUSINESSES;  
8 OR

9                   (II) MEANINGFUL ECONOMIC IMPACT ON SMALL BUSINESSES.

10                  (4) "SMALL BUSINESS" MEANS A CORPORATION, PARTNERSHIP, SOLE  
11 PROPRIETORSHIP, OR OTHER BUSINESS ENTITY, INCLUDING ITS AFFILIATES, THAT:

12                  (I) IS INDEPENDENTLY OWNED AND OPERATED;

13                  (II) IS NOT DOMINANT IN ITS FIELD;

14                  (III) EMPLOYS 50 OR FEWER FULL-TIME EMPLOYEES; AND

15                  (IV) IS ENGAGED IN THE DESIGN, SALE, SUPPLY, INSTALLATION OR  
16 SERVICE OF ENERGY CONSERVATION, ENERGY EFFICIENCY, OR OTHER  
17 DEMAND-SIDE MANAGEMENT MEASURES.

18                  (B) WHEN APPLYING FOR GRANT OF A FRANCHISE, APPROVAL OF A CHANGE  
19 IN RATES, OR ISSUANCE OF A CERTIFICATE OF PUBLIC CONVENIENCE AND  
20 NECESSITY, A PUBLIC SERVICE COMPANY SHALL PREPARE AND SUBMIT TO THE  
21 COMMISSION AN ECONOMIC IMPACT ANALYSIS RATING AND AN ECONOMIC IMPACT  
22 ANALYSIS RELATING TO SMALL BUSINESSES.

23                  (C) THE COMMISSION MAY NOT GRANT A FRANCHISE, APPROVE A CHANGE  
24 IN RATES, OR ISSUE A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY  
25 UNDER THIS ARTICLE FOR A PUBLIC SERVICE COMPANY UNLESS THE COMMISSION'S  
26 ACTION WILL NOT PROVIDE THE PUBLIC SERVICE COMPANY WITH AN UNFAIR  
27 COMPETITIVE ADVANTAGE OVER SMALL BUSINESSES.

28                  (D) THE ECONOMIC IMPACT ANALYSIS RATING AND THE ECONOMIC IMPACT  
29 ANALYSIS REQUIRED UNDER THIS SECTION SHALL INCLUDE ESTIMATES DIRECTLY  
30 RELATING TO THE FOLLOWING FACTORS, AS APPROPRIATE:

31                  (1) COST OF PROVIDING GOODS AND SERVICES;

32                  (2) EFFECT ON THE WORKFORCE;

33                  (3) EFFECT ON THE COST OF HOUSING;

34                  (4) EFFICIENCY IN PRODUCTION AND MARKETING;

35                  (5) CAPITAL INVESTMENT, TAXATION, COMPETITION, AND ECONOMIC  
36 DEVELOPMENT; AND

37                  (6) CONSUMER CHOICE.

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1           (E) (1) THE COMMISSION SHALL KEEP A COPY OF EACH ECONOMIC IMPACT  
2 ANALYSIS RATING AND ECONOMIC IMPACT ANALYSIS FOR 3 YEARS AFTER THE  
3 SUBMISSION OF THE RATING OR THE ANALYSIS.

4           (2) THE COPIES SHALL BE REASONABLY AVAILABLE FOR PUBLIC  
5 INSPECTION.

6           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
7 October 1, 1996.