

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 1418 (Delegate McHale)
Environmental Matters

Public Service Commission - Membership

This bill alters the membership and residency requirements of the Public Service Commission by providing that the commission consist of one commissioner representing and residing in each congressional district and one commissioner at large. This increases the membership of the commission from five to nine.

Fiscal Summary

State Effect: General fund revenues and expenditures could increase by an estimated \$414,000 beginning in FY 1997.

(in dollars)	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
GF Revenues	\$414,000	\$485,500	\$501,400	\$517,800	\$534,800
GF Expenditures	\$414,000	\$485,500	\$501,400	\$517,800	\$534,800
Net Effect	\$0	\$0	\$0	\$0	\$0

Note: () - decrease; GF - general funds; FF - federal funds; SF - special funds

Local Effect: None.

Fiscal Analysis

State Revenues: Expenditures of the Public Service Commission are financed by fees on the utilities regulated by the commission. Thus, general fund revenues could increase by an estimated \$414,029 as discussed below.

State Expenditures: Currently, commissioners of the Public Service Commission are in the executive pay plan with classifications ranging from ES 6, step 4 to ES 7, step 7 with an average salary of approximately \$82,000. This estimate assumes that the four new

commissioner positions established by this bill will be classified at ES 6, base in the executive pay plan - annual salary \$70,912. In addition, each commissioner has an assistant. For purposes of this estimate it is assumed that such assistants will start as a grade 10 base of the standard pay plan - annual salary \$22,500. Based on these assumptions, general fund expenditures could increase by an estimated \$414,029 in fiscal 1997. This estimate includes \$352,755 in salaries, wages, and benefits reflecting the effective date of the bill, and approximately \$51,000 in one-time start-up expenditures. Out-year estimates reflect 3% annual increases in salaries of employees in the Executive Pay Plan, 3.5% annual increases in salaries of employees in the standard salary plan, and 2% annual increases to reflect inflation in operating expenses.

Information Source(s): Public Service Commission, Department of Fiscal Services

Fiscal Note History: First Reader - March 8, 1996

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