

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 1141 (Delegate Klausmeier, *et al.*)
Environmental Matters

Utility Regulation - Public Service Commission - Economic Fairness and Equal Access

This bill requires specified public service companies to charge their nonregulated subsidiaries the higher of the fair market value or the direct cost, plus overhead, as determined or approved by the Public Service Commission, for any “resources” the public service companies provide to their subsidiaries. The bill also requires that those resources must be available to any interested person for the same price.

Fiscal Summary

State Effect: None. The bill would not directly affect governmental finances or operations.

Local Effect: None.

Small Business Effect: Potential meaningful impact on small business as discussed below.

Fiscal Analysis

Small Business Effect: Small businesses could benefit significantly from access to the resources that a public service company makes available to its nonregulated subsidiaries. Nonregulated subsidiaries may provide services such as heating and air-conditioning repair, home remodeling and the sale of appliances, industries that are predominately comprised of small businesses. Access to a public service company’s resources such as customer referrals, mailing lists, customer financing and cooperative advertising, could significantly improve small business providers ability to compete against the nonregulated subsidiaries of public service companies.

Information Source(s): Public Service Commission

Fiscal Note History: First Reader - February 24, 1997

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