

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

Senate Bill 595 (Senator Bromwell)

Finance

Public Service Companies - Holding Companies

This bill allows public service companies to form holding companies.

Fiscal Summary

State Effect: None. This bill does not place any additional requirements on the Public Service Commission.

Local Effect: None.

Small Business Effect: Potential minimal impact.

Fiscal Analysis

Small Business Effect: Currently, public service companies are competing in non-regulated industries. However, under this bill public service companies may be able to compete more efficiently in those markets. Further, public service companies may choose to enter new non-regulated markets. As a consequence, small firms operating in those markets could face increased competition from public utility companies. Generally speaking, an increased number of competitors in a market drives down the price of goods and services. Therefore, small businesses would lose profits unless they increase the volume of goods and services sold or introduce a product superior in quality to their competitors.

Information Sources: Public Service Commission, Department of Assessments and Taxation, Department of Legislative Services

Fiscal Note History:

First Reader - March 20, 1998

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