

HOUSE BILL 1291

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C5

2001 Regular Session
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By: **Delegates Guns, Baldwin, D. Davis, Oaks, Cane, Hubbard, Sher, Redmer,
Mohorovic, Morhaim, Nathan-Pulliam, Frush, Stull, Boutin, Weir,
Billings, Hammen, Klausmeier, and Owings**

Introduced and read first time: February 15, 2001

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Universal Service Program Fund - Retention**

3 FOR the purpose of authorizing the Public Service Commission to retain certain
4 funds in the universal service program fund at the end of a certain date and
5 make the funds available for disbursement through a certain date; requiring the
6 Commission and the Department of Human Resources to report to certain
7 persons on certain matters pertaining to the universal service program and fund
8 by a certain date; providing for the effective date and termination of this Act;
9 and generally relating to the universal service fund.

10 BY repealing and reenacting, with amendments,

11 Article - Public Utility Companies

12 Section 7-512.1(h)

13 Annotated Code of Maryland

14 (1998 Volume and 2000 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
16 MARYLAND, That the Laws of Maryland read as follows:

17 **Article - Public Utility Companies**

18 7-512.1.

19 (h) (1) In this subsection, "fund" means the universal service program fund.

20 (2) There is a universal service program fund.

21 (3) (i) 1. The Comptroller shall collect the revenue collected by
22 electric companies under subsection (b) of this section and place the revenue into the
23 fund.

24 2. The General Assembly may appropriate funds
25 supplemental to the funds collected under sub-subparagraph 1 of this subparagraph.

1 (ii) The fund is a continuing, nonlapsing fund that is not subject to
2 § 7-302 of the State Finance and Procurement Article.

3 (iii) The purpose of the fund is to assist electric customers as
4 provided in subsection (a)(1) of this section.

5 (4) The Department of Human Resources, with oversight by the
6 Commission, shall disburse the funds in accordance with the provisions of this
7 section.

8 (5) In any year when there are unexpended funds, those funds shall be
9 returned to the customer classes proportionate to how the customer classes paid into
10 the fund.

11 (6) NOTWITHSTANDING PARAGRAPH (5) OF THIS SUBSECTION, THE
12 COMMISSION MAY RETAIN ANY UNEXPENDED FUNDS IN THE FUND AT THE END OF
13 JUNE 30, 2001 AND MAKE THE FUNDS AVAILABLE FOR DISBURSEMENT UNDER THIS
14 SECTION THROUGH JUNE 30, 2002.

15 SECTION 2. AND BE IT FURTHER ENACTED, That on or before October 1,
16 2001, the Public Service Commission and the Department of Human Resources shall
17 study and report to the Governor and, subject to § 2-1246 of the State Government
18 Article, to the General Assembly, the Senate Finance Committee, and the House
19 Environmental Matters Committee on:

20 (1) the level of participation in the universal service program during fiscal
21 year 2001;

22 (2) the projected needs of the program for fiscal years 2002 and 2003;

23 (3) the amounts expended from the universal service program fund during
24 fiscal year 2001;

25 (4) the amounts of surplus carried over in the universal service program fund
26 from fiscal year 2001 to fiscal year 2002 under this Act;

27 (5) any difficulties that the Commission expects in complying with §
28 7-512.1(h) of the Public Utility Companies Article at the end of fiscal year 2002; and

29 (6) recommendations for simplifying the process of reducing the universal
30 service charge for customers when there are unexpended funds in the universal
31 service program fund at the end of a fiscal year.

32 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
33 June 1, 2001. It shall remain effective for a period of 1 year and 1 month and, at the
34 end of June 30, 2002, with no further action required by the General Assembly, this
35 Act shall be abrogated and of no further force and effect.