

HOUSE BILL 1291

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2001 Regular Session
11r2786
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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
Re-referred to: Environmental Matters, February 26, 2001

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 16, 2001

CHAPTER _____

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.

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

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

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

7 (ii) The fund is a continuing, nonlapsing fund that is not subject to
8 § 7-302 of the State Finance and Procurement Article.

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

11 (4) The Department of Human Resources, with oversight by the
12 Commission, shall disburse the funds in accordance with the provisions of this
13 section.

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

17 (6) NOTWITHSTANDING PARAGRAPH (5) OF THIS SUBSECTION, THE
18 COMMISSION MAY RETAIN ANY UNEXPENDED FUNDS IN THE FUND AT THE END OF
19 JUNE 30, 2001 AND MAKE THE FUNDS AVAILABLE FOR DISBURSEMENT ~~UNDER THIS~~
20 ~~SECTION~~ THROUGH JUNE 30, 2002 TO ELECTRIC CUSTOMERS WHO:

21 (I) QUALIFY FOR ASSISTANCE FROM THE FUND DURING FISCAL
22 YEAR 2001; AND

23 (II) APPLY FOR ASSISTANCE FROM THE FUND BEFORE JULY 1, 2001.

24 SECTION 2. AND BE IT FURTHER ENACTED, That on or before October 1,
25 2001, the Public Service Commission and the Department of Human Resources shall
26 study and report to the Governor and, subject to § 2-1246 of the State Government
27 Article, to the General Assembly, the Senate Finance Committee, and the House
28 Environmental Matters Committee on:

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

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

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

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

1 (5) any difficulties that the Commission expects in complying with §
2 7-512.1(h) of the Public Utility Companies Article at the end of fiscal year 2002; and

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

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