

Department of Legislative Services
Maryland General Assembly
2004 Session

FISCAL AND POLICY NOTE

House Bill 726
Economic Matters

(Delegate G. Clagett, *et al.*)

Public Service Commission - Examination of Accounts, Books, and Records

This bill authorizes the Public Service Commission (PSC) to examine the accounts, books, and records of a public service company, a parent of a public service company, an affiliate of a public service company, and an affiliate of a parent of a public service company.

Fiscal Summary

State Effect: The provisions of this bill could be handled with existing resources.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The bill defines affiliate as a person that directly or indirectly, or through one or more intermediaries, controls, is controlled by, or is under common control with another person. Control is defined as the possession, direct or indirect, of the power to direct the management or policies of a person. Parent is defined as: (1) a firm, holding company, or other person that ultimately controls a public service company; or (2) any intermediary party that controls a public service company.

Current Law: Statute authorizes PSC to specify reporting requirements for public service companies. It specifies that the system prescribed by PSC should conform as nearly as possible to the requirements of the federal regulatory entity for each

classification of public service company. Public service companies are required to list in their annual reports: (1) the name, address, basis of control, and principal business activities of the public service company; and (2) each parent company, subsidiary of the parent company, organization the public service company controls, and joint venture in excess of \$1 million. There are no provisions in current law that define the powers of PSC regarding examination of the accounts, books, or records of nonpublic service companies.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Public Service Commission, Office of People's Counsel, Department of Legislative Services

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