

Department of Legislative Services
Maryland General Assembly
2005 Session

FISCAL AND POLICY NOTE

Senate Bill 160

(Chairman, Finance Committee)

(By Request – Departmental – Public Service Commission)

Finance

Economic Matters

Public Service Commission - Civil Penalties - Common Carriers

This departmental bill authorizes the Public Service Commission (PSC) to impose a civil penalty of up to \$2,500 on a common carrier and repeals PSC's authority to impose a fine by filing suit against a public service company.

Fiscal Summary

State Effect: Potential minimal increase in general fund revenues from civil penalties.

Local Effect: None.

Small Business Effect: PSC has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

Analysis

Current Law: PSC can only enforce the imposition of a fine on a "common carrier" by filing an action in circuit court. Fine revenue from court action is paid into the general fund. PSC may impose a maximum \$10,000 civil penalty against a public service company. Civil penalties are also paid into the general fund.

Background: A common carrier is defined as a person, public authority, or federal, State, district, or municipal transportation unit that provides public transportation for hire.

It includes:

- airline companies;
- car, auto, or bus companies;
- power boat, vessel boat, steamboat, or ferry companies;
- railroad, street railroad, or sleeping car companies;
- taxicabs;
- toll bridge companies; and
- transit companies.

State Revenues: According to PSC, it has not filed a suit against a common carrier in recent years because of the added burden of involving the court when the penalty sought is typically less than \$500. The bill could thus increase general fund revenues to the extent PSC imposes and collects more penalties than under current law. PSC estimates that the increase in penalties on common carriers would likely be between \$1,000 and \$2,000 annually.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - January 27, 2005
n/jr

Analysis by: Karen S. Benton

Direct Inquiries to:
(410) 946-5510
(301) 970-5510