



SB0605/523026/1

AMENDMENTS PREPARED BY THE DEPT. OF LEGISLATIVE SERVICES
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BY: Senator M. Washington
(To be offered in the Finance Committee)

AMENDMENTS TO SENATE BILL 605
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 6, after “service;” insert “altering the definition of “public service company” to include certain Internet service providers and entities that provide voice over Internet protocol services for certain provisions of law regarding the costs and expenses of the Commission, the Strategic Energy Planning Office, and the Office of People’s Counsel;”; after line 10, insert:

“BY repealing and reenacting, with amendments,
Article – Public Utilities
Section 2–110 and 8–602
Annotated Code of Maryland
(2025 Replacement Volume and 2025 Supplement)”;

and strike in their entirety lines 21 through 25, inclusive.

AMENDMENT NO. 2

On page 2, after line 1, insert:

“2–110.

(a) In this section, “public service company” includes:

(1) an electricity supplier and a gas supplier as those terms are defined in § 1–101 of this article;

(2) AN INTERNET SERVICE PROVIDER, AS DEFINED IN § 5–107 OF THIS ARTICLE; AND

(3) AN ENTITY THAT PROVIDES VOICE OVER INTERNET PROTOCOL SERVICES, AS DEFINED IN § 8-601 OF THIS ARTICLE.

(b) (1) The costs and expenses of the Commission, the Strategic Energy Planning Office, and the Office of People's Counsel shall be borne by the public service companies that are subject to the Commission's jurisdiction.

(2) The costs and expenses shall be assessed as provided in this section.

(3) The Commission shall pay the money that it collects for the assessment under this section into the Public Utility Regulation Fund in the State Treasury established under § 2-110.1 of this subtitle to reimburse the State for the expenses of the Commission, the Strategic Energy Planning Office, and the Office of People's Counsel.

(c) (1) (i) Before each State fiscal year, the Chairman of the Commission shall estimate the Commission's total costs and expenses, including:

1. the compensation and expenses of the Commission, its officers, agents, and personnel;

2. the cost of retirement contributions, Social Security, health insurance, and other benefits required to be paid by the State for the personnel of the Commission;

3. all other maintenance and operation expenses of the Commission; and

4. all other direct and indirect costs of the Commission.

(ii) The estimate shall exclude the expenses associated with services performed by the Commission for which the Commission is reimbursed under this division.

(iii) The estimate shall include, as provided by the Strategic Energy Planning Office:

1. the compensation and expenses of the Strategic Energy Planning Office, its officers, agents, and personnel;

2. the cost of retirement contributions, Social Security, health insurance, and other benefits required to be paid by the State for the personnel of the Strategic Energy Planning Office;

3. all other maintenance and operation expenses of the Strategic Energy Planning Office; and

4. all other direct and indirect costs of the Strategic Energy Planning Office.

(iv) The estimate shall include, as provided by the Office of People's Counsel:

1. the compensation and expenses of the Office of People's Counsel, its officers, agents, and personnel;

2. the cost of retirement contributions, Social Security, health insurance, and other benefits required to be paid by the State for the personnel of the Office of People's Counsel;

3. all other maintenance and operation expenses of the Office of People's Counsel; and

4. all other direct and indirect costs of the Office of People's Counsel.

(2) Based on the estimate, the Chairman shall determine the amount to be paid by each public service company.

(3) The Commission shall send a bill to each public service company on or before May 1 of each year.

(4) (i) The bill shall equal the product of:

1. the estimated total costs and expenses of the Commission, the Strategic Energy Planning Office, and the Office of People's Counsel during the next fiscal year; multiplied by

2. the ratio of the gross operating revenues for the public service company derived from intrastate utility and electricity supplier operations in the preceding calendar year, or other 12-month period as the Chairman determines, to the total of the gross operating revenues derived from intrastate utility and electricity supplier operations for all public service companies that are billed under this section over that period.

(ii) To the extent that the Commission requires an electric company to report the gross operating revenue derived from intrastate utility and electricity supplier operation in order to calculate the bill under subparagraph (i) of this paragraph, a small rural electric cooperative described in § 7-502(a) of this article may satisfy the requirement by submitting to the Commission an estimate made in accordance with a formula approved by the Commission from information that the small rural electric cooperative submits to the rural utilities service.

(5) The minimum bill for a public service company shall be \$10.

(6) The public service company:

(i) shall pay the bill on or before the next July 15; or

(ii) may elect to make partial payments on the 15th days of July, October, January, and April.

(7) A partial payment shall equal 25% of the bill and may not be less than \$10.

(8) During any State fiscal year, the Chairman may change the estimate of costs and expenses of the Commission, the estimate of costs and expenses of the Strategic Energy Planning Office, as changed by the Strategic Energy Planning Office, and the estimate of costs and expenses of the Office of People's Counsel, as changed by the People's Counsel.

(9) (i) If the estimate is changed, the Commission shall send a revised bill to each public service company that has elected to make partial payments.

(ii) The change shall be apportioned equally against the remaining payments for the fiscal year.

(10) (i) On or before September 15 of each year, the Chairman shall compute:

1. the actual costs and expenses of the Commission;
2. the actual costs and expenses of the Strategic Energy Planning Office, as provided by the Strategic Energy Planning Office for the preceding fiscal year; and

3. the actual costs and expenses of the Office of People's Counsel, as provided by the People's Counsel for the preceding fiscal year.

(ii) If the amounts collected are less than the actual costs and expenses of the Commission, the Strategic Energy Planning Office, and the Office of the People's Counsel, after deducting the amounts recovered under §§ 2-111(a) and 2-123 of this subtitle, on or before October 15, the Chairman shall send to any public service company that is affected a statement that shows the amount due.

(iii) If the amounts collected exceed the actual costs and expenses of the Commission, the Strategic Energy Planning Office, and the Office of the People's Counsel for the preceding fiscal year, the Commission shall deduct any excess retained funds from the appropriation for the next fiscal year before the Commission determines the amount to be paid by each public service company for the next fiscal year under paragraph (2) of this subsection.

(11) A public service company shall pay an amount due within 30 days after the statement is received.

(12) The total amount that may be charged to a public service company under this section for a State fiscal year may not exceed:

(i) 0.50% of the public service company's gross operating revenues derived from intrastate utility and electricity supplier operations in the preceding calendar year, or other 12-month period that the Chairman determines, for the costs and expenses of the Commission other than that of the Strategic Energy Planning Office and the Office of People's Counsel; plus

(ii) 0.074% of those revenues for the costs and expenses of the Strategic Energy Planning Office; plus

(iii) 0.074% of those revenues for the costs and expenses of the Office of People's Counsel.

(d) (1) Within 30 days after the Commission issues a bill under subsection (c) of this section, the party billed may request a hearing as to the amount of the bill.

(2) Any amount of a bill that is not paid within 30 days after the date of determination on a hearing or, if a hearing is not requested, on the date when payment is due, shall bear annual interest at a rate, not less than 6%, that the Commission sets by regulation."