

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4058-01
Bill No.: HB 1992
Subject: Utilities
Type: Original
Date: January 28, 2020

Bill Summary: This proposal modifies provisions for gas utility plant projects.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Section 393.1009 - Gas Utility Plan Projects

Officials from the **Department of Commerce and Insurance (DCI) - Office of the Public Counsel (OPC)** assume there would be a need for an additional Public Utility Accountant I-III at \$50,112 annually to review the increased costs included in ISRS petitions, the increased projects, plant, and costs that will be reviewed in general rate cases. The cost for such analyst would be approximately \$65,000 annually.

Oversight assumes this legislation will not generate a sufficient workload for the OPC to require an additional FTE, and therefore assume DCI-OPC could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, DCI-OPC could request funding through the appropriation process.

Officials from the **Department of Natural Resources** and the **Department of Transportation** each assume the proposal will have no fiscal impact on their respective organizations.

Oversight notes that the above mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for these agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2021 (10 Mo.)	FY 2022	FY 2023
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2021 (10 Mo.)	FY 2022	FY 2023
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This bill modifies the definition of "gas utility plant projects" as it applies to the infrastructure system replacement surcharge for gas corporations.


This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Commerce and Insurance
Public Service Commission
Office of Public Counsel
Department of Natural Resources
Department of Transportation



Julie Morff
Director
January 28, 2020



Ross Strobe
Assistant Director
January 28, 2020