

HOUSE BILL NO. 45

INTRODUCED BY QUILICI, LORY, HAFHEY, HARP, GAGE, MANNING

BY REQUEST OF THE DEPARTMENT OF
PUBLIC SERVICE REGULATION

IN THE HOUSE

June 21, 1986	Introduced and referred to Committee on Taxation.
June 26, 1986	Committee recommend bill do pass as amended. Report adopted. Bill printed and placed on members' desks.
June 27, 1986	Second reading, do pass. Third reading, passed. Transmitted to Senate.

IN THE SENATE

June 27, 1986	Introduced and referred to Committee on State Administration. Committee recommend bill be concurrent in as amended. Report adopted. Second reading, concurred in. Third reading, concurred in. Ayes, 34; Noes, 16. Returned to House with amendments.
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IN THE HOUSE

June 28, 1986	Received from Senate. Second reading, amendments not concurrent in.
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June 28, 1986

On motion, Conference Committee
requested and appointed.

Conference Committee reported.

Conference Committee report
adopted by Senate.

June 30, 1986

Second reading, Conference
Committee report adopted.

Third reading, Conference
Committee report adopted.

Sent to enrolling.

Reported correctly enrolled.

1 *House* BILL NO. *45*
2 INTRODUCED BY *Julie Long Haffey HARP*
3 *Richard E. Manning* BY REQUEST OF THE DEPARTMENT OF
4 PUBLIC SERVICE REGULATION
5

6 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR FUNDING
7 THE DEPARTMENT OF PUBLIC SERVICE REGULATION BY FEES LEVIED
8 ON REGULATED COMPANIES; PROVIDING FOR LEGISLATIVE REVIEW AND
9 A REPORT TO EACH LEGISLATURE; AND PROVIDING AN EFFECTIVE
10 DATE AND A TERMINATION DATE."
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12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

13 Section 1. Definitions. As used in [sections 2 through
14 5], the following definitions apply:

15 (1) "Department" means the department of public
16 service regulation provided for in Title 2, chapter 15, part
17 26.

18 (2) "Regulated companies" means all organizations,
19 corporations, associations, or other public or private
20 entities which now are or may hereafter become subject to
21 regulation in any manner by the department of public service
22 regulation, the public service commission, or any successor
23 agency. The term does not include motor carriers regulated
24 pursuant to Title 69, chapter 12.

25 Section 2. Funding of the department of public service



1 regulation. (1) There is an account in the state special
2 revenue fund to which all fees collected under this section
3 must be deposited and from which all appropriations to the
4 department must be paid. An appropriation to the department
5 may consist of a base appropriation for regular operating
6 expenses and a contingency appropriation for expenses due to
7 an unanticipated caseload.

8 (2) In addition to all other licenses, fees, and taxes
9 imposed by law, all regulated companies shall, within 90
10 days after the close of each calendar quarter, pay to the
11 department of revenue a fee based on a percentage of gross
12 operating revenue reported pursuant to 69-1-223(2)(a), as
13 determined by the department of revenue under [section 3].

14 (3) The amount of money that may be raised by the fee
15 on the regulated companies, during a fiscal year may not be
16 increased from the amount appropriated to the department by
17 the legislature for that fiscal year, including both base
18 and contingency appropriations. Any additional money
19 required for operation of the department must be obtained
20 from other sources in a manner authorized by the
21 legislature.

22 Section 3. Determination and collection of fee. (1)
23 The fee provided for in [section 2] to be paid by regulated
24 companies must be determined in the manner set forth in
25 69-1-224 for determining the consumer counsel fee.

1 (2) The fee provided for in [section 2] must be
2 computed and collected in the manner provided in 69-1-225
3 through 69-1-227.

4 (3) All fees paid by a regulated company pursuant to
5 this section are immediately recoverable by the regulated
6 company in its rates and charges. Within 30 days after the
7 issuance by the department of revenue of notices required by
8 69-1-224(1) and (2), the public service commission shall by
9 separate order authorize each regulated company to fully
10 recover in its rates and charges, on an annual basis, the
11 fees levied by [this act].

12 Section 4. Determination of fee to be paid during
13 fiscal year 1987. (1) For purposes of funding the
14 department, to compute the percentage described in
15 69-1-224(1)(b) for fiscal year 1987, the department of
16 revenue shall determine the total gross operating revenue
17 generated by all regulated activities within this state for
18 all regulated companies during the first three quarters of
19 fiscal year 1986, based on the information filed pursuant to
20 69-1-223(2)(a).

21 (2) The department of revenue shall then compute the
22 percentage, subject to revision as provided in 69-1-224(3),
23 of the amount determined in subsection (1) that will produce
24 an amount equal to the base appropriation to the department
25 for fiscal year 1987, except that no regulated company owned

1 and operated by any municipal corporation within this state
2 may be required to pay a sum in excess of 0.06 of 1% of its
3 gross operating revenue. The fiscal year 1987 appropriation
4 to the department must be collected through the three
5 quarterly installments of fees collected hereunder during
6 fiscal year 1987.

7 (3) The department of revenue shall by August 15,
8 1986, give notice by mail to each regulated company of the
9 percentage determined under subsection (2) to be applied to
10 the gross operating revenue reported under 69-1-223(2)(a) to
11 determine the amount of the fee to be paid in fiscal year
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2 results of its review to each regular session of the
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4 recommendations concerning the manner of funding the
5 department.

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7 through 3 and section 5 are intended to be codified as an
8 integral part of Title 69, chapter 1, and the provisions of
9 Title 69, chapter 1, apply to sections 1 through 3 and
10 section 5.

11 Section 7. Effective date -- termination date. This
12 act is effective July 1, 1986. Section 4 of this act
13 terminates July 1, 1987.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB045, as introduced.

Description of Proposed Legislation:

An act providing for funding the department of public service regulation by fees levied on regulated companies; providing for legislative review and a report to each legislature; and providing an effective date and a termination date.

Assumptions:

1. FY87 appropriation is provided for in HB30.
2. Revenues collected in FY87 equal the appropriation.
3. A General Fund loan is required until first revenues are received.
4. Effective date is July 1, 1986.

Revenue:

	<u>FY87</u>		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
General Fund	\$1,637,319	\$ 0	(\$1,637,319)
State Special	0	1,637,319	1,637,319

Affect On County or Other Local Revenue or Expenditures:

Municipal utilities will pay fees of \$24,341 annually.

Long-Range Effects of Proposed Legislation:

Fees replace all General Fund appropriations to the commission.

David L. Henta 6/24/86
BUDGET DIRECTOR DATE
Office of Budget and Program Planning

Don L. Linder 6/25/86
PRIMARY SPONSOR DATE

Fiscal Note for HB45, as introduced.

APPROVED BY COMMITTEE
ON TAXATION

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and operated by any municipal corporation within this state may be required to pay a sum in excess of 0.06 of 1% of its gross operating revenue. The fiscal year 1987 appropriation to the department must be collected through the three quarterly installments of fees collected hereunder during fiscal year 1987.

(3) The department of revenue shall by August 15, 1986, give notice by mail to each regulated company of the percentage determined under subsection (2) to be applied to the gross operating revenue reported under 69-1-223(2)(a) to determine the amount of the fee to be paid in fiscal year 1987.

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Reference Bill

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13 SECTION 4 OF THIS act terminates July 1, 1987.

-End-

STANDING COMMITTEE REPORT

June 27 19 86

MR. PRESIDENT

We, your committee on STATE ADMINISTRATION

having had under consideration HOUSE BILL No. 45

third reading copy (blue color)

Quilici (Haffey)

UTILITY TAX TO FUND PUBLIC SERVICE COMMISSION

Respectfully report as follows: That HOUSE BILL No. 45

Be amended as follows:

1. Page 5, line 12.
Strike: "THIS"
Insert: "Section 4 of this"

AND AS AMENDED
BE CONCURRED IN

XXXXXX

XXXXXXXXXX

SENATOR JACK HAFLEY,

Chairman.

CONFERENCE COMMITTEE REPORT

Report No. 1

June 28 1986

4:45 p.m.

MR. SPEAKER

We, your _____ Conference Committee on

HOUSE BILL 45

met and considered HOUSE BILL 45 REFERENCE COPY, SALMON

We recommend as follows:

Strike: Senate amendments to HB 45, Senate State Admin. Committee,
June 27, 1986, in their entirety

And that this Conference Committee report be adopted.

FOR THE SENATE

Jack Haffey
Senator Jack Haffey, Chairman

Richard Manning
Senator Richard Manning

Delwyn Sage
Senator Delwyn Sage

FOR THE HOUSE

Joe Quilici
Rep. Joe Quilici

Bob Raney
Rep. Bob Raney

Bob Gilbert
Rep. Bob Gilbert

Dean Switzer
Rep. Dean Switzer

ADOPT REJECT

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