SECOND REGULAR SESSION

SENATE BILL NO. 1130

98TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR RIDDLE.

Read 1st time March 1, 2016, and ordered printed.

6689S.01I

ADRIANE D. CROUSE, Secretary.

AN ACT

To repeal sections 386.370 and 620.010, RSMo, and to enact in lieu thereof three new sections relating to funding for the public service commission and the office of public counsel, with an effective date for certain sections.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 386.370 and 620.010, RSMo, are repealed and three

- 2 new sections enacted in lieu thereof, to be known as sections 386.370, 386.715,
- 3 and 620.010, to read as follows:

386.370. 1. The commission shall, prior to the beginning of each fiscal

- 2 year beginning with the fiscal year commencing on July 1, 1947, make an
- 3 estimate of the expenses to be incurred by it during such fiscal year reasonably
- 4 attributable to the regulation of public utilities as provided in chapters 386, 392
- 5 and 393 and shall also separately estimate the amount of such expenses directly
- 6 attributable to such regulation of each of the following groups of public utilities:
- 7 [Electrical] electrical corporations, gas corporations, water corporations, heating
- 8 companies and telephone corporations, telegraph corporations, sewer corporations,
- 9 and any other public utility as defined in section 386.020, as well as the amount
- 10 of such expenses not directly attributable to any such group. For purposes of this
- 11 section, water corporations and sewer corporations will be combined and
- 12 considered one group of public utilities.
- 13 2. The commission shall allocate to each such group of public utilities the
- 14 estimated expenses directly attributable to the regulation of such group and an
- 15 amount equal to such proportion of the estimated expenses not directly
- 16 attributable to any group [as the gross intrastate operating revenues of such
- 17 group during the preceding calendar year bears to the total gross intrastate

operating revenues of all public utilities subject to the jurisdiction of the commission, as aforesaid, during such calendar year in the same proportion as the directly attributable expenses to each group. The commission shall then assess the amount so allocated to each group of public utilities, subject to reduction as herein provided, to the public utilities in such group in proportion to their respective gross intrastate operating revenues during the preceding calendar year, except that the total amount so assessed to all such public utilities shall not exceed one-fourth of one percent of the total gross intrastate operating revenues of all utilities subject to the jurisdiction of the commission.

- 3. The commission shall render a statement of such assessment to each such public utility on or before July first and the amount so assessed to each such public utility shall be paid by it to the director of revenue in full on or before July fifteenth next following the rendition of such statement, except that any such public utility may at its election pay such assessment in four equal installments not later than the following dates next following the rendition of said statement, to wit: July fifteenth, October fifteenth, January fifteenth and April fifteenth. The director of revenue shall remit such payments to the state treasurer.
- 4. The state treasurer shall credit such payments to a special fund, which is hereby created, to be known as "The Public Service Commission Fund", which fund, or its successor fund created pursuant to section 33.571, shall be devoted solely to the payment of expenditures actually incurred by the commission and attributable to the regulation of such public utilities subject to the jurisdiction of the commission, as aforesaid. Any amount remaining in such special fund or its successor fund at the end of any fiscal year shall not revert to the general revenue fund, but shall be applicable by appropriation of the general assembly to the payment of such expenditures of the commission in the succeeding fiscal year and shall be applied by the commission to the reduction of the amount to be assessed to such public utilities in such succeeding fiscal year, such reduction to be allocated to each group of public utilities in proportion to the respective gross intrastate operating revenues of the respective groups during the preceding calendar year.
- 5. In order to enable the commission to make the allocations and assessments herein provided for, each public utility subject to the jurisdiction of the commission as aforesaid shall file with the commission, within ten days after August 28, 1996, and thereafter on or before March thirty-first of each year, a

58

59

60

62

63 64

65

statement under oath showing its gross intrastate operating revenues for the preceding calendar year, and if any public utility shall fail to file such statement within the time aforesaid the commission shall estimate such revenue which estimate shall be binding on such public utility for the purpose of this section.

- 6. After the effective date of this section and until tariffs are filed in compliance with a utility's next general rate proceeding order of the commission, any gas corporation, water corporation, or sewer corporation, which is assessed an amount under this section greater than such utility was assessed for expenses of the commission in fiscal year 2017, may file and the commission shall approve rate adjustments, outside of a general rate proceeding in an amount which would substantially reimburse such utility for such increase of assessment.
- as 386.715. 1. The public counsel shall, prior to the beginning of each fiscal year, make available to the commission an estimate of the expenses to be incurred by the public counsel during such fiscal year, reasonably attributable to his or her responsibilities under sections 386.700 and 386.710, and shall also separately estimate the amount of such expenses directly attributable to such responsibilities with respect to each of the following groups of public utilities: electrical corporations, gas corporations, water corporations, heating companies, telephone corporations, telegraph corporations, sewer corporations, and any other public utility as defined in section 386.020, as well as the amount of such expenses not directly attributable to any such group.
- 12 2. The public counsel shall allocate to each such group of public utilities the estimated expenses directly attributable to his or her 13 responsibilities under sections 386.700 and 386.710 with respect to such 14 15 group and an amount equal to such proportion of the estimated expenses not directly attributable to any group in the same proportion 16 as the directly attributable expenses to each group. The commission 17 shall then assess, on behalf of the public counsel, the amount so 18 allocated to each group of public utilities, subject to reduction as 19 provided in this section, to the public utilities in such group in 20 proportion to its respective gross intrastate operating revenues during 21 22 the preceding calendar year. The amount assessed shall not exceed one-eighth of one percent. Nothing in this section shall authorize the 23 commission to determine how the public counsel allocates the 24estimated expenses directly attributable to his or her responsibilities 25

under sections 386.700 and 386.710 or how the assessment imposed under this section is spent by the public counsel.

- 3. A utility shall be exempt from an assessment under this section if the commission has no jurisdiction over its retail services, as provided by section 392.611.
- 4. On behalf of the public counsel, the commission shall render a statement of such assessment to each such public utility on or before July first and the amount so assessed to each such public utility shall be paid by it to the director of revenue in full on or before July fifteenth next following the rendition of such statement, except that any such public utility may at its election pay such assessment in four equal installments not later than the following dates next following the rendition of such statement, to wit: July fifteenth, October fifteenth, January fifteenth, and April fifteenth. The director of revenue shall remit such payments to the state treasurer.
- 5. The state treasurer shall credit such payments to a special fund, which is hereby created, to be known as "The Public Counsel Fund", which fund shall be devoted solely to the payment of expenditures actually incurred by the public counsel and attributable to his or her responsibilities under section 386.700 and 386.710. Any amount remaining in such fund at the end of any fiscal year shall not revert to the general revenue fund, but shall be applicable to the payment of such expenditures of the public counsel in the succeeding fiscal year and shall be applied by the public counsel to the reduction of the amount to be assessed to such public utilities in such succeeding fiscal year, such reduction to be allocated to each group of public utilities in proportion to the respective gross intrastate operating revenues of the respective groups during the preceding calendar year.
- 6. In order to enable the public counsel to make the allocations and assessments provided for in this section, each public utility subject to the jurisdiction of the commission shall file with the commission on or before March thirty-first of each year, a statement under oath showing its gross intrastate operating revenues for the preceding calendar year, and if any public utility shall fail to file such statement within the time established in this subsection, the commission shall estimate such revenue. Such estimate shall be binding on such public utility for the purpose of this section.

- 7. (1) The commission, on behalf of the public counsel, may adopt rules establishing charges for copies of papers and records, official documents, and orders filed; certified copies of evidence and proceedings taken before the commission; and the transmission by electronic transmittal of papers, records, evidence and transcripts, diskettes, and other documents or papers for which requests for copies are received. Fees charged for copies of papers and records shall comply with the provisions of section 610.026.
 - (2) No fees shall be charged or collected for copies of papers, records, or official documents furnished to public officers for use in their official capacity.
 - (3) All fees collected under subdivision (1) of this subsection shall be deposited to the credit of the public counsel fund from which the expenses of furnishing the copies listed in subdivision (1) of this subsection are paid and shall be used by the public counsel to offset such expenses.
 - 8. After the effective date of this section and until tariffs are filed in compliance with a utility's next general rate proceeding order of the commission, any gas corporation, water corporation, or sewer corporation, which is assessed an amount under this section greater than such utility was assessed for expenses of the office of public counsel in fiscal year 2017, may file and the commission shall approve rate adjustments, outside of a general rate proceeding in an amount which would substantially reimburse such utility for such increase of assessment.
- 620.010. 1. There is hereby created a "Department of Economic Development" to be headed by a director appointed by the governor, by and with the advice and consent of the senate. All of the general provisions, definitions and powers enumerated in section 1 of the Omnibus State Reorganization Act of 1974 shall continue to apply to this department and its divisions, agencies and personnel.
- 2. The powers, duties and functions vested in the public service commission, chapters 386, 387, 388, 389, 390, 392, 393, and others, and the administrative hearing commission, sections 621.015 to 621.198 and others, are transferred by type III transfers to the department of economic development. The director of the department is directed to provide and coordinate staff and equipment services to these agencies in the interest of facilitating the work of the

13 bodies and achieving optimum efficiency in staff services common to all the

- l4 bodies. Nothing in the Reorganization Act of 1974 shall prevent the chairman of
- 15 the public service commission from presenting additional budget requests or from
- 16 explaining or clarifying its budget requests to the governor or general assembly.
- 3. The powers, duties and functions vested in the office of the public
- 18 counsel are transferred by type III transfer to the department of economic
- 19 development. [Funding for the general counsel's office shall be by general
- 20 revenue.]
- 4. The public service commission is authorized to employ such staff as it
- 22 deems necessary for the functions performed by the general counsel other than
- 23 those powers, duties and functions relating to representation of the public before
- 24 the public service commission.
- 5. All the powers, duties and functions vested in the tourism commission,
- 26 chapter 258 and others, are transferred to the "Division of Tourism", which is
- 27 hereby created, by type III transfer.
- 28 6. All the powers, duties and functions of the department of community
- 29 affairs, chapter 251 and others, not otherwise assigned, are transferred by type
- 30 I transfer to the department of economic development, and the department of
- 31 community affairs is abolished. The director of the department of economic
- 32 development may assume all the duties of the director of community affairs or
- 33 may establish within the department such subunits and advisory committees as
- 34 may be required to administer the programs so transferred. The director of the
- 35 department shall appoint all members of such committees and heads of subunits.
- 7. The state council on the arts, chapter 185 and others, is transferred by
- 37 type II transfer to the department of economic development, and the members of
- 38 the council shall be appointed by the director of the department.
- 39 8. The Missouri housing development commission, chapter 215, is
- 40 assigned to the department of economic development, but shall remain a
- 41 governmental instrumentality of the state of Missouri and shall constitute a body
- 42 corporate and politic.
- 9. All the authority, powers, duties, functions, records, personnel,
- 44 property, matters pending and other pertinent vestiges of the division of
- 45 manpower planning of the department of social services are transferred by a type
- 46 I transfer to the "Division of Workforce Development", which is hereby created,
- 47 within the department of economic development. The division of manpower
- 48 planning within the department of social services is abolished. The provisions of

SB 1130

52

53

54

55

56

5758

59

section 1 of the Omnibus State Reorganization Act of 1974, Appendix B, relating to the manner and procedures for transfers of state agencies shall apply to the transfers provided in this section.

7

10. All the authority, powers, functions, records, personnel, property, contracts, matters pending and other pertinent vestiges of the division of employment security within the department of labor and industrial relations related to job training and labor exchange that are funded with or based upon Wagner-Peyser funds, and other federal and state workforce development programs administered by the division of employment security are transferred by a type I transfer to the division of workforce development within the department of economic development.

60 11. Any rule or portion of a rule, as that term is defined in section 61 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of 62 63 chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant 64 65 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking 66 67 authority and any rule proposed or adopted after August 28, 2008, shall be invalid and void.

Section B. The repeal and reenactment of section 386.370 and the enactment of section 386.715 of this act shall become effective on January 1, 3 2017.

