

Legislative Analysis



USE ASSESSMENTS TO PAY FOR PSC DUTIES UNDER UNIFORM VIDEO SERVICES LOCAL FRANCHISE ACT

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

Senate Bill 1087 as passed by the Senate

Sponsor: Sen. Ken Horn

House Committee: Communications and Technology

Senate Committee: Energy and Technology

Complete to 11-28-16

Analysis available at
<http://www.legislature.mi.gov>

(Enacted as Public Act 438 of 2016)

SUMMARY:

Senate Bill 1087 would add a new Section 5a to PA 299 of 1972. This act provides for the "assessment, collection and disposition of the costs of regulation of public utilities."

The bill would allow the Public Service Commission to use assessments to administer the Uniform Video Services Local Franchise Act (PA 480 of 2006). This act created a new franchising system for providers of video services (such as cable television services).

Presently, the act requires that all moneys paid into the state treasury by a public utility under the act be credited to a special account that used solely to finance the cost of regulating public utilities.

FISCAL IMPACT:

Senate Bill 1087 would have a significant and positive fiscal impact on the Department of Licensing and Regulatory Affairs. The Public Service Commission would be allowed to use public utility assessments to cover the costs of administering the Uniform Video Services Local Franchise Act. Between FY 2011 and FY 2015, the regulatory expenditures for the PSC's administration of the act averaged \$258,980. Access to funding is necessary for the PSC to meet its responsibilities due to the sunset of the video franchising fee on December 31, 2015. The bill would not have fiscal impacts for other units of state or local government.

Legislative Analyst: Josh Roesner
Fiscal Analyst: Marcus Coffin

■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.