



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
 (803)734-0640 • RFA.SC.GOV/IMPACTS

Bill Number: H. 4378 Amended by the House of Representatives on January 24, 2018
Author: McCoy
Subject: Utility Oversight Committee
Requestor: Senate Judiciary
RFA Analyst(s): Gable
Impact Date: February 8, 2018

Estimate of Fiscal Impact

	FY 2018-19	FY 2019-20
State Expenditure		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
Full-Time Equivalent Position(s)	0.00	0.00
State Revenue		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
Local Expenditure	\$0	\$0
Local Revenue	\$0	\$0

Fiscal Impact Summary

This bill would have a minimal expenditure impact to Other Funds, for the House of Representative and the Senate which would be reimbursed by the public utilities under the jurisdiction of the Public Service Commission.

Explanation of Fiscal Impact

Amended by the House of Representative on January 24, 2018

State Expenditure

This bill repeals the State Regulation of Public Utilities Review Committee (PURC) and replaces it with the Utility Oversight Committee (oversight committee). The Oversight Committee will consist of twelve members, three from the Senate, three from the House of Representatives, and six from the general public. The oversight committee may nominate up to three candidates for each seat on the Public Service Commission, one qualified candidate to be considered for the appointment of the Executive Director of the Office of Regulatory Staff and has the power to set the salary for the Executive Director of the Office of Regulatory Staff. Additionally, the committee must develop and distribute surveys and develop an annual workshop on ethics and the Administrative Procedures Act, among other responsibilities. Also, the committee members must not have a business relationship or receive any form of compensation or income from a public utility or any affiliate of a public utility.

The members are entitled to mileage, subsistence, and per diem. These expenses and expenses associated with qualifying and nominating candidates for the commission and the Executive

Director of the Office of Regulatory Staff and the development and distribution of surveys, among other expenses will be borne by the public utilities subject to the jurisdiction of the Public Service Commission.

Currently PURC, a ten member committee, performs many of the responsibilities that would become the responsibilities of the oversight committee and PURC's expenses are charged to the public utilities. The Department of Revenue (DOR) is responsible for assessing and collecting these taxes from the public utilities.

House of Representatives and Senate. The legislative bodies are responsible for advancing any expenses accrued by the oversight committee. The State will reimburse the legislative bodies the incurred expenses at such time as the funds have been collected from the public utilities. Therefore, the two additional members of the committee would have a minimal expenditure impact to Other Funds of the House of Representatives and the Senate. This amount would be reimbursed by the public utilities.

Department of Revenue (DOR). By July 1st each year, DOR must assess each public utility its portion of the expenses in proportion to its gross income for operation in the state. DOR will collect these assessments and pay the balance of these collections minus its administrative costs into the state treasury.

Currently, DOR is performing this duty for PURC. This bill requires DOR to continue to perform this duty. According to DOR, as the program is already in place, any expenditure would be minimal. Because there is a similar program currently in place, there would be no expenditure impact to the General Fund, Other Funds, or Federal Funds for DOR.

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director