



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 751

PRINTERS NO. 876

PRIME SPONSOR: Roae

COST / (SAVINGS)

FUND	FY 2018/19	FY 2019/20
General Fund	\$0	\$0

SUMMARY: House Bill 751, Printer's Number 876, amends Title 66 to make technical and editorial changes, such as revising the definition of "service line;" providing for email as a valid form of service upon agreement; and clarifying the payment of taxes by a public utility.

ANALYSIS: This bill amends Title 66 (Public Utility Code) to update and clarify sections related to water and wastewater public utilities, such as revising the definition of service line under Section 102 to include pipes and appurtenances of a "water utility or wastewater utility."

Sections 529 and 702 are updated by striking out language related to the power of the commission to order acquisition of small water and sewer utilities, and inserting language clarifying it is the Bureau of Investigation and Enforcement that is responsible for establishing a prima facie case regarding acquisition. Additional language under Section 702 permits email to be a valid form of service when agreed to by each party in all hearings, investigations and proceedings.

The bill also amends Section 1301.1 addressing the computation of income tax expense for ratemaking purposes by inserting subsection (b.1) regarding taxable contributions. It states that "a water or wastewater public utility shall be solely responsible for funding the income taxes on taxable contributions in aid of construction and customer advances for construction and shall record the incomes taxes the utility pays in accumulated deferred income taxes for accounting and ratemaking purposes."

This legislation would take effect in 60 days upon enactment.

FISCAL IMPACT: Enactment of this bill will have no fiscal impact on Commonwealth funds.

PREPARED BY: Jeffrey Clukey
House Appropriations Committee (R)

DATE: March 19, 2019

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.