

Fiscal Estimate Narratives
DATCP 3/25/2010

LRB Number	09-3964/1	Introduction Number	SB-469	Estimate Type	Original
Description Authority of the Public Service Commission over certain telecommunications utilities, telecommunications access charges, universal service fund contributions based on interconnected voice over Internet protocol service, tandem switching provider electronic call records, granting rule-making authority, and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

Among other things, Senate Bill 469 changes the consumer protection authority of the Public Service Commission (PSC). Under the bill, PSC would no longer have significant authority to respond to consumer complaints involving telecommunications service. As a result, the department anticipates PSC would refer all telecommunications complaints it receives to the bureau of consumer protection.

The bill reduces PSC's authority over consumer complaints against Alternative Telecommunications Utilities (ATU). Under current law, when PSC grants ATU status to a telecommunications utility, it has discretion to apply selected portions of its regulatory authority to the individual ATU. Under the bill, PSC must apply consumer-related regulatory requirements to all ATUs and telecommunications equally.

The bill eliminates about half of PSC consumer protection authority, under s. 196.219, Stats. The bill also eliminates PSC authority to investigate and hold hearings based on consumer complaints related to telecommunications services as well as PSC authority to investigate and hold hearings on its own motion related to unfair consumer protection activities of an ATU or telecommunications provider.

Because the bill would essentially eliminate PSC authority over telecommunications consumer protection, the department expects all telecommunications consumer complaints to be redirected to the department. The department would have authority to respond to a portion of these complaints either under specific sections of current law or under the department's general unfair trade practices authority in s. 100.20(1), Stats.

The department cannot estimate the precise number of complaints that would be referred under the bill. In 2009, telecommunications was the third most complained-about subject area by consumers.

The department anticipates that the bill would increase the number of complaints received by the department by at least half of current workload. This new workload would require an additional 3.0 FTE positions, and could not be absorbed by current staff. Possible funding sources are PR from the current telecommunications assessment under s. 20.115(1)(jm), Stats., and GPR from the general consumer protection appropriation under s. 20.115(1)(a), Stats.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

LRB Number 09-3964/1		Introduction Number SB-469	
Description Authority of the Public Service Commission over certain telecommunications utilities, telecommunications access charges, universal service fund contributions based on interconnected voice over Internet protocol service, tandem switching provider electronic call records, granting rule-making authority, and making an appropriation			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): Office setup, desks, telephones, computers and supplies \$30,000.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$132,900		\$
(FTE Position Changes)	(3.0 FTE)		
State Operations - Other Costs	42,600		
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$175,500		\$
B. State Costs by Source of Funds			
GPR	175,500		
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
	Increased Rev		Decreased Rev
GPR Taxes	\$		\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues	\$		\$
NET ANNUALIZED FISCAL IMPACT			
	State		Local
NET CHANGE IN COSTS	\$175,500		\$
NET CHANGE IN REVENUE	\$		\$
Agency/Prepared By		Authorized Signature	Date
DATCP/ Michelle Reinen (608) 224-5160		Bill Walker (608) 224-4353	3/25/2010