



OHIO LEGISLATIVE SERVICE COMMISSION

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Fiscal Note & Local Impact Statement

Bill: S.B. 157 of the 132nd G.A.
(L_132_1432-3)

Status: In Senate Public Utilities

Sponsor: Sen. Bacon

Local Impact Statement Procedure Required: No

Subject: To regulate the reselling of public utility service

State & Local Fiscal Highlights

- No direct fiscal effect on the state or political subdivisions.
- Possible indirect minimal increase in administrative costs for the Attorney General's office to enforce the bill's requirements. Such costs, if any, would be paid from DPF appropriation item 055637, Consumer Protection Enforcement (Fund 6310).
- Similarly, possible indirect minimal increase in costs of county courts of common pleas from an increase in civil cases brought involving violations of the bill's requirements. Such an increase, if any, would likely be minimal and would be partially offset by court filing fees.

Detailed Fiscal Analysis

The bill would regulate the reselling of public utility service. Under the bill, a landlord, manufactured home park operator, unit owners association, or other person with ownership interest in a property who charges consumers for public utility service may allocate the costs of such service using one of three methods specified in the bill. The bill specifies that they may charge only one monthly administrative fee of up to \$10 relating to the provision of, or billing for, all such public utility services; they may also charge a one-time account establishment fee of up to \$25 upon signing of the lease, rental agreement, or association service agreement, and a one-time final bill fee of up to \$25 upon termination of such lease or agreement. The bill provides that such fees may be adjusted based on the annual percentage change in the consumer price index for all urban consumers (CPI-U), Midwest region, all items, as determined by the U.S. Bureau of Labor Statistics,¹ beginning with the calendar year following the calendar year of the effective date of this bill. The bill specifies other requirements related to such individuals, termed "proprietors" under the bill, which have no fiscal effect. Please see the LSC Bill Analysis for a full description of these other requirements.

¹ The bill specifies that if that index is no longer published, a generally available comparable index may be used.

The bill specifies that requirements in the bill should not be construed to prohibit or limit the ability of a public utility subject to regulation by the Public Utilities Commission to limit or restrict the resale of public utility service. The bill allows the Attorney General to bring a civil action to enforce the bill's regulations, and specifies that the authority of the Attorney General to bring such an action must not affect the right of a consumer to pursue any remedy available under law for a failure to comply with requirements governing the reselling of public utility service. The bill specifies that if a proprietor (or proprietor's agent) fails to comply with or violates certain restrictions under the bill, the affected consumer must provide notice of the failure to the proprietor or proprietor's agent and attempt to resolve the dispute in good faith for at least 60 days after notice was made. If the consumer and the proprietor or proprietor's agent are unable to resolve the failure, the affected consumer is allowed to bring a civil action to recover treble the total amount of the overcharges resulting from a compliance failure and reasonable attorney's fees, obtain injunctive relief to prevent the recurrence of the conduct, or both, within two years of when the affected consumer discovered the failure.

Fiscal effect

The bill does not have any direct fiscal effect on the state or political subdivisions, but may have minimal indirect fiscal effects. If the Attorney General decided to bring a civil action to enforce the bill's requirements, it may increase the Attorney General's administrative costs. Any increase in such cost would be paid from DPF appropriation item 055637, Consumer Protection Enforcement (Fund 6310). In addition, if any affected consumers under this bill chose to file a civil action for a violation of the regulation of the reselling of public utility service it may increase the number of court hearings, thereby increasing county courts' costs. Any such increase is likely to be minimal, and may be partially offset by court filing fees.