

HOUSE BILL 1118

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By: **Delegates B. Robinson, Conaway, Glenn, Morales, Platt, and M. Washington**

Introduced and read first time: February 11, 2016

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Public Utilities – Utility Supplier Diversity – Data Submission and Task Force**

3 FOR the purpose of requiring a public service company that is a signatory of a certain
4 memorandum of understanding to submit certain data to the Public Service
5 Commission before the public service company establishes a new rate or change in
6 rate; establishing the Task Force to Study Utility Supplier Diversity; prohibiting a
7 member of the Task Force from receiving certain compensation, but authorizing the
8 reimbursement of certain expenses; requiring the Task Force to study and make
9 findings and recommendations regarding certain matters; requiring the Task Force
10 to report its findings and recommendations to the Governor and certain committees
11 of the General Assembly on or before a certain date; providing for the termination of
12 certain provisions of this Act; and generally relating to utility supplier diversity.

13 BY repealing and reenacting, with amendments,
14 Article – Public Utilities
15 Section 4–203
16 Annotated Code of Maryland
17 (2010 Replacement Volume and 2015 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
19 That the Laws of Maryland read as follows:

20 **Article – Public Utilities**

21 4–203.

22 (a) Unless otherwise ordered by the Commission, a public service company may
23 not establish a new rate or change in rate unless the public service company:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (1) provides to the Commission notice of the new rate or change in rate at
2 least 30 days before the new rate is established or current rate is changed; [and]

3 (2) publishes the new rate or change in rate in accordance with § 4-202 of
4 this subtitle during the entire 30 day notice period in new schedules or plainly indicated
5 amendments to existing schedules; AND

6 **(3) IF THE PUBLIC SERVICE COMPANY IS A SIGNATORY OF THE**
7 **MODEL UTILITY SUPPLIER DIVERSITY MEMORANDUM OF UNDERSTANDING,**
8 **PROVIDES TO THE COMMISSION DATA ON THE AMOUNT OF SPENDING ON DIVERSE**
9 **SUPPLIERS IN THE PREVIOUS CALENDAR YEAR IN THE MANNER AND FORMAT**
10 **DESCRIBED IN THE MODEL UTILITY SUPPLIER DIVERSITY MEMORANDUM OF**
11 **UNDERSTANDING.**

12 (b) The public service company shall plainly set forth in the notice and
13 publication:

14 (1) the changes that it proposes to the rate schedules currently in force;
15 and

16 (2) the effective date of the changes.

17 SECTION 2. AND BE IT FURTHER ENACTED, That:

18 (a) In this section, "MOU" means the Model Utility Supplier Diversity
19 Memorandum of Understanding.

20 (b) There is a Task Force to Study Utility Supplier Diversity.

21 (c) The Task Force consists of the following members:

22 (1) two members of the Senate of Maryland, appointed by the President of
23 the Senate;

24 (2) two members of the House of Delegates, appointed by the Speaker of
25 the House; and

26 (3) the following members, appointed by the Governor:

27 (i) five representatives of signatories of the MOU that have the
28 authority to make procurement decisions for their respective public service companies;

29 (ii) three members of the public; and

30 (iii) one member of the Public Service Commission.

1 (d) The Public Service Commission shall provide staff for the Task Force.

2 (e) A member of the Task Force:

3 (1) may not receive compensation as a member of the Task Force; but

4 (2) is entitled to reimbursement for expenses under the Standard State
5 Travel Regulations, as provided in the State budget.

6 (f) The Task Force shall:

7 (1) evaluate data collected as part of the Supplier Diversity Program that
8 is administered by the Public Service Commission to determine whether a majority of
9 signatories to the MOU have substantially complied with the goal of awarding 25% of their
10 total spending to diverse utility suppliers;

11 (2) evaluate the appropriateness of altering the 25% diversity spending
12 goal to encourage more spending for diverse utility suppliers;

13 (3) study the feasibility, costs, benefits, and legal or constitutional
14 considerations of establishing a diversity spending requirement or incentive for utility
15 suppliers; and

16 (4) make findings and recommendations based on any information
17 collected under items (1), (2), and (3) of this subsection.

18 (g) On or before December 15, 2016, the Task Force shall report its findings and
19 recommendations to the Governor and, in accordance with § 2-1246 of the State
20 Government Article, the Senate Finance Committee and the House Economic Matters
21 Committee.

22 SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take
23 effect June 1, 2016. It shall remain effective for a period of 1 year and, at the end of May
24 31, 2017, with no further action required by the General Assembly, Section 2 of this Act
25 shall be abrogated and of no further force and effect.

26 SECTION 4. AND BE IT FURTHER ENACTED, That, except as provided in Section
27 3 of this Act, this Act shall take effect June 1, 2016.