

**ASSEMBLY BILL**

**No. 2762**

---

**Introduced by Committee on Utilities and Commerce  
(Wright (Chair), Pescetti (Vice Chair), Calderon,  
Campbell, Mazzoni, Vincent, and Wesson)**

February 25, 2000

---

An act to amend Section 422 of the Public Utilities Code, relating to public utilities.

LEGISLATIVE COUNSEL'S DIGEST

AB 2762, as introduced, Committee on Utilities and Commerce. Common carriers: annual fee.

The Public Utilities Act requires the Public Utilities Commission to impose a fee on common carriers and related businesses to finance the regulation of those entities by the commission. The act requires the commission to allocate, within each class of carrier and related business subject to the fee, among the members of the class, the amount of the commission's budget to be financed by the fee based on the ratio that each member's gross intrastate revenues bears to the total gross intrastate revenues of the class, except as specified. The act requires the commission to establish uniform fees for every carrier and related business having annual gross intrastate revenues of \$100,000 or less, for every railroad corporation having annual gross intrastate revenues of \$10,000,000 or less, and for commercial air operators and for-hire vessel operators.

This bill would modify that provision to require the commission, commencing July 1, 2002, to establish a uniform

fee for each class of carrier and related business, based on the actual costs incurred by the commission in conducting licensing, enforcement, and investigation activities with regard to each class, except as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 422 of the Public Utilities Code  
2 is amended to read:

3 422. The commission shall establish the fee pursuant  
4 to Section 421 with the approval of the Department of  
5 Finance and in accordance with all of the following:

6 (a) In its annual budget request, the commission shall  
7 specify, at a minimum, both of the following:

8 (1) The amount of its budget to be financed by the fee.

9 (2) The dollar allocation of the amount of its budget to  
10 be financed by the fee by each class of carrier and related  
11 business subject to the fee. Each class of carrier and  
12 related business subject to this article shall pay fees  
13 sufficient to support the commission's regulatory  
14 activities for the class from which the fee is collected and  
15 to establish an appropriate reserve.

16 (b) The commission may establish different and  
17 distinct methods of assessing fees for each class of carrier  
18 and related business, if the revenues collected are  
19 consistent with paragraph (2) of subdivision (a).

20 (c) ~~Within Commencing July 1, 2002, for~~ each class of  
21 carrier and related business subject to the fee, the  
22 commission shall ~~allocate, among the members of the~~  
23 ~~class~~ *establish a uniform fee, to total* the amount of the  
24 commission's budget to be financed by the fee based on  
25 ~~the ratio that each member's gross intrastate revenues~~  
26 ~~bears to the total gross intrastate revenues of the class~~  
27 *actual costs incurred by the commission in conducting*  
28 *licensing, enforcement, and investigation activities with*  
29 *regard to the class, except for railroad corporations,*  
30 *whose fees shall be allocated within that class in*  
31 *accordance with subdivision (g).*

1 (d) Any carrier or related business which is a member  
2 of more than one class of carrier or related business shall  
3 be subject to the fee for each class of which it is a member.

4 ~~(e) For every carrier and related business having~~  
5 ~~annual gross intrastate revenues of one hundred~~  
6 ~~thousand dollars (\$100,000) or less, or for every railroad~~  
7 ~~corporation having annual gross intrastate revenues of~~  
8 ~~ten million dollars (\$10,000,000) or less, the commission~~  
9 ~~shall annually establish uniform fees, which shall be not~~  
10 ~~less than a minimum annual fee, to be paid by each carrier~~  
11 ~~and related business and by each railroad corporation, if~~  
12 ~~the revenues collected are consistent with paragraph (2)~~  
13 ~~of subdivision (a). Every carrier and related business and~~  
14 ~~railroad corporation paying fees pursuant to this~~  
15 ~~subdivision shall show proof of eligibility at the time of~~  
16 ~~payment in a form the commission may specify.~~

17 ~~(f) The commission shall annually establish a uniform~~  
18 ~~fee, which shall be not less than a minimum annual fee,~~  
19 ~~to be paid by every commercial air operator and for-hire~~  
20 ~~vessel operator, if the revenues collected are consistent~~  
21 ~~with paragraph (2) of subdivision (a).~~

22 ~~(g) The commission shall establish the initial fee~~  
23 ~~amount to be paid by railroad corporations subject to this~~  
24 ~~section, and the regulations for the assessment and~~  
25 ~~collection of the fee, no later than January 31, 1992. The~~  
26 ~~commission shall collect the initial fee from railroad~~  
27 ~~corporations beginning on February 1, 1992, and shall~~  
28 ~~disburse the amounts collected as directed in Section~~  
29 ~~309.7, as added by Assembly Bill 684 of the 1991-92~~  
30 ~~Regular Session, and Section 421.~~

31 ~~(h)~~

32 (f) The commission shall establish regulations for  
33 allocating the proportionate share of the fee established  
34 pursuant to paragraph (2) of subdivision (a) to be paid by  
35 the rail corporations within that class. The regulations  
36 may utilize gross intrastate revenues; track mileage  
37 within the state; terminals located within the state;  
38 loaded car miles traveled within the state; fuel  
39 consumption; or any other measure deemed by the  
40 commission to be appropriate in allocating the fee among

1 railroad corporations. On or before January 15, 1992,  
2 railroad corporations as a group may submit a proposed  
3 plan of allocation to the commission, which the  
4 commission shall consider in establishing the regulations.

O

