



## FISCAL NOTE

### House Bill 475

Committee: Fiscal Responsibility and  
Economic Development

Sponsor: Representative Mack Butler

Analyst: Jennifer Farish

Date: 03/31/2026

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**House Bill 475** as reported by the Committee on Fiscal Responsibility and Economic Development would increase the number of Public Service Commissioners from three to seven beginning in July 2026, which would increase the financial obligations of the Public Service Commission (PSC) by a Commission estimated \$1.4 million in FY2026 and \$2.3 million annually thereafter to: (1) provide salaries for four additional commissioners; (2) hire additional staff for the new commissioners; (3) provide additional office space for new commissioners and associated staff; and (4) provide start-up costs for vehicles, furniture, and equipment for new commissioners and associated staff. This could potentially reduce receipts to the State General Fund (SGF) if funds transferred to the SGF from the PSC's Operating Fund via the annual SGF appropriations acts are decreased due to the PSC's increased financial obligations required to the provisions of this bill. The FY2027 SGF appropriations act includes a transfer from the PSC to the SGF in the amount of \$6.0 million.

Additionally, beginning January 2027, this bill would require the appointment of a new Secretary of Energy, by the Governor, as a cabinet member to serve as the administrative director of the PSC. Assuming that the Secretary would assume the duties and responsibilities of the current executive director of the PSC, this bill could increase or decrease the financial obligations of the PSC by an undetermined amount dependent upon the difference in the salary set by the Governor, and the salary of the current executive director of the PSC.

Finally, this bill would prohibit an increase in electric retail base rates until January 1, 2029 which could potentially reduce future utility tax receipts deposited into the Education Trust Fund by an undetermined amount dependent upon the increase in electric retail base rates that would otherwise have been subject to taxation.