As Introduced

135th General Assembly
Regular Session S. B. No. 149
2023-2024

Senator Smith
Cosponsor: Senator Antonio

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A BILL

To enact sections 4933.51, 4933.52, 4933.53, 4933.55, 4933.57, 4933.58, 4933.59, and 4933.60 of the Revised Code to prohibit certain public utilities from recovering political expenditure costs from their customers.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 4933.51, 4933.52, 4933.53, 4933.55, 4933.57, 4933.58, 4933.59, and 4933.60 of the Revised Code be enacted to read as follows:

Sec. 4933.51. As used in sections 4933.51 to 4933.60 of the Revised Code:

(A)(1) "Public utility" means an electric light company, gas company, or natural gas company as described in section 4905.03 of the Revised Code that is a public utility under section 4905.02 of the Revised Code.

(B) "Nonprofit organization" means a tax-exempt
organization described under subsection 501(c)(3) or 501(c)(4) of the Internal Revenue Code, 26 U.S.C. 501.

(C) "Political expenditure" means any of the following:

(1) A contribution or gift to a political candidate, party, or committee, to a committee of the general assembly, or to an organization working to promote the adoption or defeat of, or influence the outcome of an election for, a ballot issue or question;

(2) A contribution to a trade association, chamber of commerce, nonprofit organization, or other organization that is described under subsection 501(c)(6) of the Internal Revenue Code, 26 U.S.C. 501;

(3) Dues paid to any industry association of which the public utility is a member;

(4) An expenditure incurred for the purpose of lobbying any branch of government;

(5) Expenses incurred for the purpose of influencing public opinion about public policy issues or about the reputation of the public utility;

(6) Expenses incurred to fund any other political, charitable, or lobbying activity.

Sec. 4933.52. No public utility shall recover the cost of any political expenditure from its customers through any rate, rate mechanism, rental, toll, fee, rider, or other charge implemented pursuant to section 4909.18 or sections 4928.141 to 4928.143 of the Revised Code or under Chapter 4929. of the Revised Code.

Sec. 4933.53. If the public utilities commission
determines that a public utility charged its customers in violation of the prohibition under section 4933.52 of the Revised Code, the charges imposed in violation of that section shall be subject to refund, plus interest. The commission shall order the payment of the refunds in a manner designed to allocate the refunds to customer classes in the same proportion as the charges were originally collected.

Sec. 4933.55. If the public utilities commission, after providing notice and a hearing, determines that a public utility has charged its customers in violation of the prohibition under section 4933.52 of the Revised Code, the commission shall issue an order imposing a fine on the public utility. The amount of the fine shall equal twenty times the amount that the public utility charged to customers in violation of that section.

Sec. 4933.57. The political activity fine fund is in the state treasury consisting of the fines paid by public utilities pursuant to section 4933.55 of the Revised Code. The money in the fund shall be used to assist customers in paying public utility bills that are past due, according to a process established by rules adopted under division (A)(2) of section 4933.60 of the Revised Code.

Sec. 4933.58. The department of development shall administer the political activity fine fund created under section 4933.57 of the Revised Code. The department shall distribute the money in the fund to customers through the percentage of income payment plan program administered by the department pursuant to section 4928.53 of the Revised Code and in accordance with rules adopted under division (A)(2) of section 4933.60 of the Revised Code regarding the distribution of the money.
Sec. 4933.59. (A) Not later than the first day of January each year, each public utility shall submit to the public utilities commission an expenditure report listing all political expenditures that the utility made during the preceding twelve-month period. For each expenditure, the report shall include the payee, amount, and purpose of the expenditure. The report shall be submitted to the commission electronically, and upon its receipt, the commission shall post the report on the commission web site.

(B) The commission shall compile the expenditure reports submitted under division (A) of this section into a single report that the commission shall submit to the general assembly. The commission shall submit the report, not later than the first day of February each year, in accordance with section 101.68 of the Revised Code. The commission also shall post the report on the commission web site.

Sec. 4933.60. (A)(1) The public utilities commission shall adopt rules to implement sections 4933.51 to 4933.59 of the Revised Code.

(2) In conjunction with the department of development, the commission also shall adopt rules to establish a process within the percentage of income payment program for distributing the money collected from fines ordered by the commission under section 4933.55 of the Revised Code. The rules shall specify that the money collected shall be used to assist customers with the payment of past-due public utility bills as authorized under section 4933.58 of the Revised Code.

(B) Notwithstanding any provision of section 121.95 of the Revised Code to the contrary, a regulatory restriction contained in a rule adopted under division (A) of this section is not
subject to sections 121.95 to 121.953 of the Revised Code.