

7109--A

I N S E N A T E

April 30, 2012

Introduced by Sen. ZELDIN -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the public authorities law and the public service law, in relation to methods of payments to public utilities

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Section 2855 of the public authorities law, as added by
2 section 1 of part KK of chapter 59 of the laws of 2006, is amended to
3 read as follows:
4 S 2855. Electronic method of payment; periodic charges. 1. Notwith-
5 standing the provisions of any law to the contrary, if any authority
6 shall offer any electronic method of payment for tolls, fares, fees,
7 rentals, or other charges, including but not limited to a system called
8 E-ZPass, such authority shall not impose any periodic administrative or
9 other charge for the privilege of using such electronic method of
10 payment for such charges. Nothing in this section shall be construed to
11 prohibit any authority from making any charge for extra services
12 requested by a holder of such electronic method of payment, any charge
13 for lost or damaged equipment, or for defaults, such as charges for
14 dishonored checks. The authority shall not enter any agreement with
15 bondholders that would require the imposition of administrative or other
16 periodic charges relating to electronic methods of payment prohibited by
17 this section.
18 2. NO AUTHORITY OFFERING ANY ELECTRONIC METHOD OF PAYMENT SHALL IMPOSE
19 ANY PERIODIC ADMINISTRATIVE OR OTHER CHARGE FOR FAILURE TO USE SUCH
20 METHOD OF PAYMENT OR OTHERWISE IMPOSE ADDITIONAL ADMINISTRATIVE OR OTHER
21 CHARGES FOR DELIVERING PAYMENT THROUGH NON-ELECTRONIC MEANS. NOTWITH-
22 STANDING ANY PROVISIONS OF LAW TO THE CONTRARY, AUTHORITIES SHALL BE
23 PROHIBITED FROM IMPOSING ANY PERIODIC ADMINISTRATIVE OR OTHER CHARGE,
24 EXCEPTING AMOUNTS DUE AND INTEREST ON ACCOUNTS OUTSTANDING WHEN SUCH
25 INTEREST IS COMPUTED AND APPLIED IN ACCORDANCE WITH THE LAWS OF THIS
26 STATE, FOR METHOD OF PAYMENT ON ANY ACCOUNT. NOTHING IN THIS SUBDIVISION

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets
[] is old law to be omitted.

LBD15166-04-2

1 SHALL BE CONSTRUED TO PROHIBIT ANY AUTHORITY FROM MAKING ANY CHARGE FOR
2 EXTRA SERVICES REQUESTED BY AN ACCOUNT HOLDER, ANY CHARGE FOR LOST OR
3 DAMAGED EQUIPMENT, OR FOR DEFAULTS, SUCH AS CHARGES FOR DISHONORED
4 CHECKS. THE AUTHORITIES SHALL NOT ENTER ANY AGREEMENT WITH BONDHOLDERS
5 THAT WOULD REQUIRE THE IMPOSITION OF ADMINISTRATIVE OR OTHER PERIODIC
6 CHARGES RELATING TO METHODS OF PAYMENT.

7 S 2. Section 2 of the public authorities law is amended by adding a
8 new subdivision 7 to read as follows:

9 7. "PUBLIC UTILITY AUTHORITIES" SHALL MEAN ANY ENTITY ESTABLISHED
10 PURSUANT TO ARTICLE FIVE OF THIS CHAPTER.

11 S 3. Title 1 of article 5 of the public authorities law is amended by
12 adding a new section 999 to read as follows:

13 S 999. GENERAL PROVISIONS. NO PUBLIC UTILITY AUTHORITY OFFERING ANY
14 ELECTRONIC METHOD OF PAYMENT SHALL IMPOSE ANY PERIODIC ADMINISTRATIVE OR
15 OTHER CHARGE FOR FAILURE TO USE SUCH METHOD OF PAYMENT OR OTHERWISE
16 IMPOSE ADDITIONAL ADMINISTRATIVE OR OTHER CHARGES FOR DELIVERING PAYMENT
17 THROUGH NON-ELECTRONIC MEANS. NOTHING IN THIS SECTION SHALL BE
18 CONSTRUED TO PROHIBIT ANY PUBLIC UTILITY AUTHORITY FROM MAKING ANY
19 CHARGE FOR EXTRA SERVICES REQUESTED BY AN ACCOUNT HOLDER, ANY CHARGE FOR
20 LOST OR DAMAGED EQUIPMENT, OR FOR DEFAULTS, SUCH AS CHARGES FOR DISHON-
21 ORED CHECKS. THE PUBLIC UTILITY AUTHORITIES SHALL NOT ENTER ANY AGREE-
22 MENT WITH BONDHOLDERS THAT WOULD REQUIRE THE IMPOSITION OF ADMINISTRA-
23 TIVE OR OTHER PERIODIC CHARGES RELATING TO METHODS OF PAYMENT.

24 S 4. The public service law is amended by adding a new section 6 to
25 read as follows:

26 S 6. BILLING BY ENTITIES GOVERNED BY THE PUBLIC SERVICE COMMISSION.
27 NO ENTITY GOVERNED BY THE PUBLIC SERVICE COMMISSION OFFERING ANY ELEC-
28 TRONIC METHOD OF PAYMENT SHALL IMPOSE ANY PERIODIC ADMINISTRATIVE OR
29 OTHER CHARGE FOR FAILURE TO USE SUCH METHOD OF PAYMENT OR OTHERWISE
30 IMPOSE ADDITIONAL ADMINISTRATIVE OR OTHER CHARGES FOR DELIVERING PAYMENT
31 THROUGH NON-ELECTRONIC MEANS. NOTHING IN THIS SECTION SHALL BE
32 CONSTRUED TO PROHIBIT ANY ENTITY GOVERNED BY THE PUBLIC SERVICE COMMIS-
33 SION FROM MAKING ANY CHARGE FOR EXTRA SERVICES REQUESTED BY AN ACCOUNT
34 HOLDER, ANY CHARGE FOR LOST OR DAMAGED EQUIPMENT, OR FOR DEFAULTS, SUCH
35 AS CHARGES FOR DISHONORED CHECKS. ENTITIES GOVERNED BY THE PUBLIC
36 SERVICE COMMISSION SHALL NOT ENTER ANY AGREEMENT WITH BONDHOLDERS THAT
37 WOULD REQUIRE THE IMPOSITION OF ADMINISTRATIVE OR OTHER PERIODIC CHARGES
38 RELATING TO METHODS OF PAYMENT.

39 S 5. This act shall take effect immediately.