S T A T E O F N E W Y O R K

2001

2011-2012 Regular Sessions

I N A S S E M B L Y

January 12, 2011

Introduced by M. of A. WEPRIN -- read once and referred to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the public service law, in relation to protecting residential utility customers who make bill payments to authorized payment agents, to provide for written contracts between electric corporations and payment agents, and to provide for public service commission review of the credit-worthiness of payment agents in certain cases

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

Section 1. Section 45 of the public service law, as added by chapter 713 of the laws of 1981, is amended to read as follows:

S 45. Payment agencies. 1. A utility corporation or municipality may permit its customers to pay their bills to [a] AN AUTHORIZED payment agent. The date of payment to any such AUTHORIZED PAYMENT agent shall be regarded as the date of payment to the utility or municipality, AND THE PAYMENT SHALL BE REGARDED AS IF IT WERE PAID DIRECTLY TO THE UTILITY OR MUNICIPALITY ON SUCH DATE. WHERE A CUSTOMER OF SUCH UTILITY OR MUNICIPALITY HAS PAID A BILL TO AN AUTHORIZED PAYMENT AGENT ON OR BEFORE A DESIGNATED DUE DATE, NO PENALTY OR EXTRA CHARGE SHALL ACCRUE ON SUCH BILL FOR THE REASON THAT THE PAYMENT DID NOT REACH THE CORPORATION OR MUNICIPALITY ON OR BEFORE THE DESIGNATED DUE DATE.

2. NO PARTY SHALL ACT AS PAYMENT OR COLLECTION AGENT WITH RESPECT TO MORE THAN TWENTY RESIDENTIAL UNITS FOR THE PURPOSE OF COLLECTING AND REMITTING TO SUCH ELECTRIC CORPORATION ANY CHARGES FOR ELECTRIC SERVICE TO SUCH RESIDENTIAL UNITS, INCLUDING BUT NOT LIMITED TO DISTRIBUTION SERVICE, UNLESS SUCH PARTY HAS A WRITTEN CONTRACT WITH SUCH ELECTRIC CORPORATION IN COMPLIANCE WITH SUBDIVISION THREE OF THIS SECTION. NOTHING IN THIS SUBDIVISION SHALL BE CONSTRUED TO PREVENT ANY PERSON FROM APPOINTING ANY FAMILY MEMBER, OTHER VOLUNTEER CAREGIVER, OR PERSONAL BUSINESS MANAGER AS HIS OR HER AGENT FOR PAYING UTILITY BILLS TO ANY UTILITY CORPORATION.

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

LBD05086-01-1

3. NO ELECTRIC CORPORATION SHALL ENTER INTO ANY CONTRACT WHICH PROVIDES IN WHOLE OR IN PART FOR COLLECTING AND REMITTING TO SUCH ELECTRIC CORPORATION ANY CHARGES FOR ELECTRIC SERVICE, INCLUDING BUT NOT LIMITED TO DISTRIBUTION SERVICE, UNLESS SUCH CONTRACT SHALL PROVIDE THAT ANY PARTY ACTING AS A PAYMENT OR COLLECTION AGENT SHALL BE THE AUTHORIZED PAYMENT AGENT OF THE ELECTRIC CORPORATION.

4. EACH ELECTRIC CORPORATION WHICH ENTERS INTO ANY CONTRACT SUBJECT TO SUBDIVISION THREE OF THIS SECTION SHALL SUBMIT TO THE COMMISSION FOR APPROVAL EACH SUCH CONTRACT WHICH IS INTENDED TO RESULT IN OR HAS RESULTED IN THE AUTHORIZED PAYMENT AGENT HAVING IN ITS CUSTODY AT ANY ONE TIME MORE THAN FIFTY THOUSAND DOLLARS TO BE REMITTED TO SUCH ELECTRIC CORPORATION WITH RESPECT TO PAYMENTS RECEIVED WITH RESPECT TO RESIDENTIAL UNITS. THE COMMISSION SHALL APPROVE SUCH CONTRACTS ONLY IF IT CONCLUDES THAT THE AUTHORIZED PAYMENT AGENT, WITH OR WITHOUT SUCH SECURITY AS THE COMMISSION SHALL ORDER, IS CREDIT-WORTHY IN VIEW OF THE FORESEEABLE INDEBTEDNESS OF THE AUTHORIZED PAYMENT AGENT TO THE ELECTRIC CORPORATION.

S 2. This act shall take effect on the ninetieth day after it shall have become a law.