STATE OF NEW YORK

11090

IN ASSEMBLY

April 24, 2026

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

AN ACT to amend the public service law, in relation to enacting the "automatic utility deferment act"

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Short title. This act shall be known and may be cited as the "automatic utility deferment act".

§ 2. The public service law is amended by adding a new section 119-f to read as follows:

§ 119-f. Automatic utility deferment for state employees. 1. For purposes of this section, the following terms shall have the following meanings:

(a) "Payroll freeze" shall mean any period in which New York state employees do not receive scheduled compensation due to a lapse or delay in enacted appropriations.

(b) "Covered employee" shall mean any individual employed on the New York state payroll, including state agency employees, legislative staff, and elected officials.

(c) "Regulated utility provider" shall mean any gas corporation, electric corporation, gas and electric corporation, water corporation, steam corporation, municipality rendering equivalent utility services or internet service provider subject to regulation by the commission.

(d) "Deferment period" shall mean the duration beginning on the date a payroll freeze takes effect and ending on the date full payroll is restored.

(e) "Internet service provider" means any telephone corporation or cable television company that provides individuals, corporations, or other entities with the ability to connect to the internet.

2. Upon the commencement of a payroll freeze resulting from a failure to enact the state budget by the first of April in a given year, all regulated utility providers shall automatically suspend termination of service and waive late payment penalties for covered employees for the duration of the deferment period.

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

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3. Such deferment period shall apply automatically to covered employees following the declaration of a payroll freeze. No application shall be necessary for covered employees to be granted such deferment period.

4. Deferred utility balances shall be repaid by the covered employee on a structured payment plan, commencing no sooner than sixty days after full payroll restoration, divided over a period not to exceed twelve months.

5. The commission shall have the authority to enforce the provisions of this section, and a regulated utility corporation which violates any provision of this section shall be subject to penalties as provided in section twenty-five of this chapter or any other applicable provision of this chapter.

6. Regulated utility providers shall not report deferred balances to credit reporting agencies during any deferment period or during any structure repayment period.

7. Nothing in this section shall be construed to permanently forgive or eliminate any utility debt owed by a covered employee.

§ 3. Section 32 of the public service law is amended by adding a new subdivision 3-a to read as follows:

3-a. A utility corporation or municipality shall be prohibited from terminating any residential utility service of a customer who is a state employee pursuant to the provisions of section one hundred nineteen-f of this chapter.

§ 4. This act shall take effect immediately.