

STATE OF NEW YORK

7963

2025-2026 Regular Sessions

IN ASSEMBLY

April 16, 2025

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

AN ACT to amend the public service law, in relation to eliminating late fees for residential utility customers

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

1 Section 1. Section 42 of the public service law, as added by chapter
2 713 of the laws of 1981 and subdivision 3 as added by chapter 388 of the
3 laws of 2011, is amended to read as follows:

4 § 42. Other charges. 1. A utility corporation or municipality may
5 impose late payment charges not in excess of one and one-half percent
6 per month on the unpaid balance of any bill including any interest there-
7 on, provided, however, that no such late payment charge may be imposed
8 on any residential customer, regardless of whether the bill is the
9 subject of a pending complaint. Any such late payment [~~charge, however,~~
10 ~~may not be imposed if the bill is the subject of a pending complaint~~
11 ~~with the utility or municipality provided, however, that such~~] charge
12 may be imposed retroactively, only in the case of non-residential
13 customers, if the complaint is finally resolved in favor of the utility
14 or municipality.

15 2. [~~Except as provided in subdivision one of this section, no~~] No
16 utility corporation or municipality may charge any residential customer
17 a late payment charge, penalty, fee, interest, or other charge of any
18 kind for any late payment, collection effort, service disconnection or
19 deferred payment agreement occasioned by the customer's failure to pay
20 timely for gas or electric service.

21 3. The rights and responsibilities of residential customers partic-
22 ipating in green jobs-green New York on-bill recovery pursuant to
23 section sixty-six-m of this chapter shall be substantially comparable to
24 those of electric and gas customers not participating in on-bill recov-

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

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1 ery, and charges for on-bill recovery shall be treated as charges for
2 utility service for the purpose of this article, provided that:

3 (a) all determinations and safeguards related to the termination and
4 reconnection of service shall apply to on-bill recovery charges billed
5 by a utility pursuant to such section;

6 (b) in the event that the responsibility for making utility payments
7 has been assumed by occupants of a multiple dwelling pursuant to section
8 thirty-three of this article or by occupants of a two-family dwelling
9 pursuant to section thirty-four of this article, such occupants shall
10 not be billed for any arrears of on-bill recovery charges or any
11 prospective on-bill recovery charges, which shall remain the responsi-
12 bility of the incurring customer;

13 (c) deferred payment agreements pursuant to section thirty-seven of
14 this article shall be available to customers participating in on-bill
15 recovery on the same terms as other customers, and the utility shall
16 retain the same discretion to defer termination of service as for any
17 other delinquent customer;

18 (d) where a customer has a budget billing plan or levelized payment
19 plan pursuant to section thirty-eight of this article, the utility shall
20 recalculate the payments under such plan to reflect the projected
21 effects of installing energy efficiency measures as soon as practicable
22 after receipt of information on the energy audit and qualified energy
23 efficiency services selected;

24 (e) on-bill recovery charges shall not be subject to the provisions of
25 section forty-one of this article;

26 (f) ~~[late payment charges on unpaid on-bill recovery charges shall be~~
27 ~~determined as provided in this section, or as otherwise consented to by~~
28 ~~the customer in the agreement for green jobs-green New York on bill~~
29 ~~recovery and any such charges shall be remitted to the New York state~~
30 ~~energy research and development authority]~~ no late payment charges shall
31 be imposed on unpaid on-bill recovery charges for residential customers;

32 (g) notwithstanding the provisions of section forty-three of this
33 article, when a complaint is related solely to work performed under the
34 green jobs-green New York program or to the appropriate amount of
35 on-bill recovery charges, the utility shall only be required to inform
36 the customer of the complaint handling procedures of the New York state
37 energy research and development authority, which shall retain responsi-
38 bility for handling such complaints, and such complaints shall not be
39 deemed to be complaints about utility service in any other commission
40 action or proceeding; and

41 (h) billing information provided pursuant to section forty-four of
42 this article shall include information on green jobs-green New York
43 on-bill recovery charges, including the basis for such charges, and any
44 information or inserts provided by the New York state energy research
45 and development authority related thereto. In addition, at least annual-
46 ly the authority shall provide the utility with information for inclu-
47 sion or insertion in the customer's bill that sets forth the amount and
48 duration of remaining on-bill recovery charges and the authority's
49 contact information and procedures for resolving customer complaints
50 with such charges.

51 § 2. This act shall take effect immediately.