



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1077

PRINTER'S NO. 3694

PRIME SPONSOR: Matzie

COST / (SAVINGS)

FUND	FY 2024/25	FY 2025/26
General Fund	\$0	\$0

SUMMARY: HB 1077 PN 3694 reauthorizes and make changes to provisions within Title 66 Chapter 14. The legislation will take effect in 60 days.

ANALYSIS: This legislation amends Title 66 (Public Utilities) Chapter 14 (Responsible Utility Customer Protection) to make the following changes:

- **§ 1402 (Declaration of Policy)** – provides for applicability of this chapter to a water/sewer authority in the City of Pittsburgh
- **§ 1403 (Definitions)** – makes changes to the following:
 - “*Applicant*” – to include a natural person who is at least 18 years of age or emancipated minor and whose name appears in a lease as specified under Section 202 of the Landlord and Tenant Act of 1951
 - “*Change in income*” – decreased from 20 percent to 10 percent for everyone, if the customer’s household income level exceeds 300 percent of the federal poverty level
 - “*Creditworthiness*” – applies to new applicants screened for credit worthiness
 - “*Customer*” - to include a natural person who is at least 18 years of age or an emancipated minor whose name appears in a lease as specified under Section 202 of the Landlord and Tenant Act of 1951
 - “*Customer assistance program*” – adds water and wastewater facilities to the definition
 - “*Household income*” – allows for verbal attestation of household income
 - “*Medical certificate*” – allows for a medical certificate from a registered nurse (RN) in addition to currently accepted from physician, physician assistant (PA), or nurse practitioner (NP)
 - “*Public utility*” – adds municipal water/sewer authority in the City of Pittsburgh
 - “*Significant change in circumstances*” – Removes the consideration of income where a customer experiences a chronic or acute illness and allows for the consideration of circumstances such as a change in employment, death, injury, divorce, separation, or other substantial hardship
- **§ 1404 (Cash deposits and household information requirements)** – updated to include language which prohibits utilities from collecting security deposits from customers/applicants who are below 300 percent of the federal poverty level

- **§ 1405 (Payment arrangements)** – provides the Public Utility Commission (PUC) with more options to extend payment arrangements or utilize alternative arrangements
 - Length of payment arrangements, specifically:
 - From five to six years for customers whose household income level does not exceed 150 percent of the federal poverty level
 - From three to four years for customers whose household income level does not exceed 150 percent and not more than 250 percent of the federal poverty level
 - From one to two years for customers whose household income level exceeds 250 percent but is not more than 300 percent of the federal poverty level
 - From six months to one year for customers with household income exceeding 300 percent of the federal poverty level
 - A section is added for “*alternative payment arrangement*” if a customer’s income level is not more than 300 percent of the federal poverty level and the customer’s monthly payment would exceed 20 percent of their average monthly bill
- **§ 1406 (Termination of utility service)** –
 - Requires that notice of termination is sent 20 days prior, from the current 10 days and the termination notice shall be effective for 70 days
 - Notice of termination shall be mailed via first class mail or if the customer consents, it can be provided via electronic means
 - A public utility shall biannually update customer’s telephone and e-mail contact information
 - Amends service termination to exclude Fridays, holidays or the day before a Federal/State holiday, or a business day immediately preceding a Federal/State holiday
 - Prohibits winter termination for customers with a household income at or below 250 percent of the federal poverty level
 - Provides that service may not be terminated for the term of a medical certificate, not to exceed 60 days and the medical certificate may be renewed in the same manner and time period, if the customer has met the obligation to make payment on new undisputed charges
 - Expands language access requirements by requiring public utilities to provide written notices of termination in English and Spanish
- **§ 1407 (Reconnection of service)** – prohibits reconnection fees for customers who are at or below 250 percent of the federal poverty level and increases the time permitted to repay balances from 3 to 6 months
 - If the customer’s household income is above 250 percent but below 400 percent of the federal poverty level, the reconnection fee shall be included in arrearages
- **§ 1410 (Complaints filed with Commission)** – allows the PUC to accept formal/informal complaints from customers who have attempted to contact the Commission
- **§ 1410.1 (Public Utility duties)** – requires public utilities to screen a customer to determine their income level, contact customers with arrearages over 90 days past due to offer arrangements, and submit an annual report to the Commission’s residential accounts who have accumulated more than \$10,000 in arrearages
- **§ 1413 (Reporting of recipients of public assistance)** – requires DHS to provide information to utilities on customers on LIHEAP or other public assistance
- **§ 1417 (Nonapplicability)** – adds language to allow for PFAs from jurisdictions outside of the Commonwealth to be considered and to allow written certification by a domestic violence counselor or advocate
- **§ 1419 (Expiration)** – extends the sunset of this chapter through December 31, 2036

FISCAL IMPACT: The enactment of this legislation would not have a fiscal impact on commonwealth Funds, specifically the General Fund. The legislation simply extends the sunset date Chapter 14 and makes certain changes to provisions thereof.

PREPARED BY: Gueorgui Tochev, Senior Budget Analyst
House Appropriations Committee (D)

DATE: October 2, 2024

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.