

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1683

STATE OF NEW JERSEY

DATED: FEBRUARY 7, 2019

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 1683.

Assembly Bill No. 1683 increases civil penalties for energy “slamming” practices from \$10,000 for the first offense, and not more than \$25,000 for the second and each subsequent offense, to \$20,000 for the first offense, and not more than \$50,000 for the second and each subsequent offense. Energy “slamming” is a practice that involves changing consumers’ electric power or gas supplier without their knowledge or consent.

As reported, this bill is identical to Senate Bill No. 1990, as also reported by the committee.

FISCAL IMPACT:

The OLS finds that this bill will result in an indeterminate increase in State revenue due to the doubling of fines for “slamming” practices where a customer’s electric power or gas supplier is changed without the customer’s knowledge or consent.

While the amount of fines are doubled, the actual amount of increased revenue cannot be determined because the Board of Public Utilities (BPU) is permitted to compromise with violators to decrease the amount of the penalty, and it is not clear how many “slamming” violations will occur in the future.