

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR SENATE, No. 2129

STATE OF NEW JERSEY

DATED: JUNE 18, 2018

The Senate Budget and Appropriations Committee reports favorably a Senate Committee Substitute for Senate Bill No. 2129.

As substituted and reported, this bill requires that unclaimed property deposits from electric and gas public utilities in the Unclaimed Utility Deposits Trust Fund (trust fund) be paid to a Statewide nonprofit energy assistance organization meeting certain criteria. Under the bill, in order to be eligible to receive trust fund monies, a Statewide nonprofit energy assistance organization designated by the Board of Public Utilities (board) is required to: 1) have a network of no less than 200 partner organizations throughout all 21 counties in this State; 2) provide secure, online or in-person grant application access; 3) have a board of directors comprised of not less than five electric or gas public utility representatives; and 3) have an on-site customer service call center providing access to assistance offered in a minimum of 150 languages.

Further, the bill provides that for the State fiscal year starting on July 1, 2018, the board is to dedicate \$25 million from available balances collected through the societal benefits charge (SBC) to provide grants to help pay the electric and gas public utility (utility) bills of households seeking temporary assistance from a Statewide nonprofit energy assistance organization having the same qualifications as stated in the previous paragraph. Within one year after the board completes the disbursement of grant monies to the Statewide nonprofit energy assistance organization, the organization is to issue a report to the board providing the number of applicants applying for household utility assistance grants, the number of households receiving utility assistance grants, the average amount of assistance provided, the average gross income of households receiving assistance, the methods and procedures used for the verification of income or hardship, and any other information the board requires.

FISCAL IMPACT:

The Office of Legislative Services (OLS) determines that this bill will reallocate \$25 million in State resources from dedicated Board of Public Utilities (BPU) accounts that receive their funding from the

Societal Benefits Charge (SBC) to a non-profit organization for the administration of a utility bill assistance grant program.

The OLS assumes that absent this bill the \$25 million would be spent on the purposes of each dedicated account either in FY 2019 or in a subsequent fiscal year. The OLS assumes further that the bill will not alter SBC rates because SBC-funded BPU program accounts are anticipated to carry FY 2019 year-end closing balances greater than \$25 million.