

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR ASSEMBLY, Nos. 1960 and 2422

STATE OF NEW JERSEY

DATED: JUNE 14, 2022

The Assembly Appropriations Committee reports favorably Assembly Bill No. 1960 and 2422 (ACS).

This bill requires that unclaimed property deposits from an electric, gas, or water public utility (utility) in the Unclaimed Utility Deposits Trust Fund (trust fund) be paid to a Statewide nonprofit public utility assistance organization (assistance organization) meeting certain criteria. Under the bill, in order to be eligible to receive trust fund monies, an assistance organization designated by the Board of Public Utilities (BPU) is required to: 1) have a network of no less than 200 partner organizations that collectively have a physical presence in every county in this State, providing secure, online or in-person grant application access; 2) have a board of directors comprised of not less than five utility representatives; and 3) have an on-site customer service call center providing access to assistance offered in a minimum of 150 languages. Within 10 months after the trust fund administrator disburses grant monies to the assistance organization designated by the BPU, and annually thereafter, the assistance organization is to issue a report to the BPU 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 to households, the average gross income of households receiving assistance, the methods and procedures used for the verification of household income or hardship, and any other information the BPU requires.

Further, the bill provides that for the State fiscal year starting on July 1, 2022, the BPU is to dedicate \$25 million from available balances collected through the societal benefits charge to provide grants to help pay the utility bills of households seeking temporary assistance from an assistance organization having the same qualifications required for payments of the trust fund as described above. Within one year after the BPU completes the disbursement of grant monies to the assistance organization, the assistance organization is to issue a report to the BPU providing the same information, as is also required in the annual report required for the receipt of payments from the trust fund as described above.

FISCAL IMPACT:

The Office of Legislative Services (OLS) concludes that the bill would annually reallocate 75 percent of the deposits into the Unclaimed Utility Deposits Trust Fund from a non-profit organization selected by the State Treasurer to a non-profit organization that meets certain specific criteria. This reallocation of funds is expected to average approximately \$3.8 million per year, which monies would support the provision of electric, gas, and water utility bill payment assistance payments.

During Fiscal Year 2023, the bill would reallocate \$25 million in dedicated State revenues, from accounts credited to the BPU through the societal benefits charge, to the same non-profit organization that would receive monies from the Unclaimed Utility Deposits Trust Fund. These monies would also support the provision of electric, gas, and water utility bill payment assistance payments.

The OLS assumes that the bill will not alter the rates imposed under the societal benefits charge because the BPU program accounts that are supported societal benefits charge revenues are anticipated to carry year-end closing balances of greater than \$25 million into FY 2023.