

SENATE, No. 1570

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED FEBRUARY 13, 2020

Sponsored by:

Senator JAMES BEACH

District 6 (Burlington and Camden)

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

SYNOPSIS

Requires telecommunications companies to provide prorated refunds for service outages of longer than 24 hours.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 10/29/2020)

1 **AN ACT** concerning refunds for telecommunications service
2 interruptions and amending P.L.1991, c.428 and P.L.2007, c.195.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. Section 4 of P.L.1991, c. 428 (C.48:2-21.19) is amended to
8 read as follows:

9 4. a. Notwithstanding the provisions of R.S.48:2-18, R.S.48:2-
10 21, section 31 of P.L.1962, c.198 (C.48:2-21.2), R.S.48:3-1, or any
11 other law to the contrary, the board shall not regulate, fix or
12 prescribe the rates, tolls, charges, rate structures, terms and
13 conditions of service, rate base, rate of return, and cost of service,
14 of competitive services. The board may require the local exchange
15 telecommunications company or interexchange telecommunications
16 carrier to file and maintain tariffs for competitive
17 telecommunications services.

18 b. The board is authorized to determine, after notice and
19 hearing, whether a telecommunications service is a competitive
20 service. In making such a determination, the board shall develop
21 standards of competitive service which, at a minimum, shall include
22 evidence of ease of market entry; presence of other competitors;
23 and the availability of like or substitute services in the relevant
24 geographic area.

25 c. The board may determine, by rule, order, or in accordance
26 with the provisions of a plan filed pursuant to subsection a. of
27 section 3 of this act, what reports are necessary to monitor the
28 competitiveness of any telecommunications service.

29 d. The board shall have the authority to reclassify any
30 telecommunications service that it has previously found to be
31 competitive if, after notice and hearing, it determines that sufficient
32 competition is no longer present, upon application of the criteria set
33 forth in subsection b. of this section. Upon such a reclassification,
34 subsection a. of this section shall no longer apply and the board
35 may determine such rates for that telecommunications service
36 which it finds to be just and reasonable. The board, however, shall
37 continue to monitor the telecommunications service and, whenever
38 the board shall find that the telecommunications service has again
39 become sufficiently competitive pursuant to subsection b. of this
40 section, the board shall again apply the provisions of subsection a.
41 of this section.

42 e. Notwithstanding the provisions of subsection a. of this
43 section, the following safeguards shall apply to the offering of any
44 competitive service by a local exchange telecommunications
45 company:

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 (1) the local exchange telecommunications company shall
2 unbundle each noncompetitive service which is incorporated in the
3 competitive service and shall make all such noncompetitive services
4 separately available to any customer under tariffed terms and
5 conditions, including price, that are identical to those used by the
6 local exchange telecommunications company in providing its
7 competitive service;

8 (2) the rate which a local exchange telecommunications
9 company charges for a competitive service shall exceed the rates
10 charged to others for any noncompetitive services used by the local
11 exchange telecommunications company to provide the competitive
12 service;

13 (3) tariffs for competitive services filed with the board shall
14 either be in the public records, or, if the board determines that the
15 rates are proprietary, shall be filed under seal and made available
16 under the terms of an appropriate protective agreement, such as
17 those used in cases before the board; **[and]**

18 (4) nothing in this act shall limit the authority of the board,
19 pursuant to R.S.48:3-1, to ensure that local exchange
20 telecommunications companies do not make or impose unjust
21 preferences, discriminations, or classifications for noncompetitive
22 services; and

23 (5) the local exchange telecommunications company shall, on a
24 prorated basis, adjust a customer's bill, or provide a refund to a
25 customer, who has experienced a service interruption for a period of
26 more than 24 hours. The local exchange telecommunications
27 company shall not require the customer to take any action in order
28 to receive a bill adjustment or refund under this section.

29 f. The board shall require a public utility, as defined in
30 R.S.48:2-13, that provides telephone service and is subject to
31 regulation by the board, on a prorated basis, to adjust a customer's
32 bill, or provide a refund to a customer, who has experienced a
33 service interruption for a period of more than 24 hours. The
34 telephone public utility shall not require the customer to take any
35 action in order to receive a bill adjustment or refund under this
36 section.

37 (cf: P.L.2017, c.77, s.1)
38

39 2. Section 4 of P.L.2007, c.195 (C.48:17-35) is amended to
40 read as follows:

41 4. a. Except as otherwise provided in this act, notwithstanding
42 any other provision of law, rule, regulation or order to the contrary,
43 neither the State, nor any department, agency, board or commission
44 thereof, nor any political subdivision of the State shall enact, adopt
45 or enforce any law, ordinance, resolution, rule, regulation, order,
46 standard or other provision, either directly or indirectly, having the
47 force and effect of law that regulates, or has the effect of regulating,

1 the rates, terms and conditions of VoIP service or IP-enabled
2 service offered to customers.

3 b. Notwithstanding the provisions of subsection a. of this
4 section, or any other law, rule, order, or regulation, the Board of
5 Public Utilities shall require a company that provides a VoIP
6 service or IP-enabled service, on a prorated basis, to adjust a
7 customer's bill, or provide a refund to a customer, who has
8 experienced a service interruption for a period of more than 24
9 hours. The company shall not require the customer to take any
10 action in order to receive a bill adjustment or refund under this
11 section.

12 (cf: P.L.2007, c.195, s.4)

13

14 3. This act shall take effect immediately.

15

16

17

STATEMENT

18

19 This bill directs the Board of Public Utilities (board) to require
20 telecommunications companies and companies that offer Voice over
21 Internet Protocol and other Internet-based telephone services, on a
22 prorated basis, to adjust a customer's bill, or provide a refund to a
23 customer, who has experienced a service interruption for a period of
24 more than 24 hours. The bill also directs the board to require these
25 companies to provide the bill adjustment or refund without
26 requiring the customer to take any action.