

# 52:27D-509

## LEGISLATIVE HISTORY CHECKLIST

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**LAWS OF:** 2007                    **CHAPTER:** 150

**NJSA:** 52:27D-509 (Requires propane gas supplier or marketer to distribute to customers certain disclosures; establishes penalties for violations)

**BILL NO:** A2015 (Substituted for S1836)

**SPONSOR(S)** Van Drew and others

**DATE INTRODUCED:** January 10, 2006

**COMMITTEE:**            **ASSEMBLY:** Telecommunication and Utilities

**SENATE:** Economic Growth

**AMENDED DURING PASSAGE:** Yes

**DATE OF PASSAGE:**            **ASSEMBLY:** June 21, 2007

**SENATE:** June 21, 2007

**DATE OF APPROVAL:** August 21, 2007

**FOLLOWING ARE ATTACHED IF AVAILABLE:**

[FINAL TEXT OF BILL](#) (Second reprint enacted)

**A2015**

[SPONSOR'S STATEMENT:](#) (Begins on page 4 of original bill) [Yes](#)

**COMMITTEE STATEMENT:**                    [ASSEMBLY:](#) [Yes](#)

[SENATE:](#) [Yes](#)

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at [www.njleg.state.nj.us](http://www.njleg.state.nj.us))

**FLOOR AMENDMENT STATEMENT:** No

**LEGISLATIVE FISCAL ESTIMATE:** No

**S1836**

[SPONSOR'S STATEMENT:](#) (Begins on page 5 of original bill) [Yes](#)

**COMMITTEE STATEMENT:**                    **ASSEMBLY:** No

[SENATE:](#) [Yes](#)

**FLOOR AMENDMENT STATEMENT:** No

**LEGISLATIVE FISCAL ESTIMATE:** No

**VETO MESSAGE:** No

**GOVERNOR'S PRESS RELEASE ON SIGNING:**

No

**FOLLOWING WERE PRINTED:**

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**REPORTS:**

No

**HEARINGS:**

No

**NEWSPAPER ARTICLES:**

No

IS 4/29/08

P.L. 2007, CHAPTER 150, *approved August 21, 2007*  
Assembly, No. 2015 (*Second Reprint*)

1 AN ACT concerning propane gas service contracts and  
2 supplementing Title 52 of the Revised Statutes.

3

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

6

7 1. This act shall be known and may be cited as the "Propane  
8 Gas <sup>2</sup>**[Consumer]** Customer<sup>2</sup> Protection Act."

9

10 2. As used in this act:

11 "Act" means the "Propane Gas <sup>2</sup>**[Consumer]** Customer<sup>2</sup>  
12 Protection Act."

13 "Department" means the Department of Community Affairs.

14 "Propane" means any of the forms of liquefied petroleum  
15 products, including propane, propylene, butane, isobutane, and  
16 butylene, or any mixture of these hydrocarbons, that is utilized for  
17 residential and commercial heating purposes and for various  
18 appliances and fixtures, including, but not limited to, clothes  
19 washers and dryers, grills, lighting and electricity-producing fuel  
20 cells.

21 "Propane gas supplier <sup>2</sup>**[ ]<sup>2</sup> or <sup>2</sup>**[ ]<sup>2</sup> marketer" <sup>2</sup>or "supplier or  
22 marketer"<sup>2</sup> means a duly licensed business that takes title to  
23 propane gas and then assumes the contractual and legal obligation  
24 to provide propane gas to an end-user customer or customers.****

25 <sup>1</sup>"Propane services" <sup>2</sup>or "services"<sup>2</sup> means the performing of  
26 safety and leak testing of, and the performing of installation,  
27 maintenance, repair, <sup>2</sup>removal,<sup>2</sup> adjustment and other services to,  
28 propane appliances including, without limitation, ranges, water  
29 heaters, heaters, furnaces, containers and other propane fueled  
30 systems, for residential and commercial applications <sup>2</sup>**[and in**  
31 connection with construction projects]<sup>2</sup> .<sup>1</sup>

32

33 3. a. Within 180 days following the effective date of this act,  
34 the department shall adopt rules and regulations pursuant to the  
35 "Administrative Procedure Act," P.L. 1968, c.410 (C.52:14B-1 et  
36 seq.) requiring that propane gas suppliers or marketers distribute to  
37 <sup>2</sup>**[any]** each<sup>2</sup> customer a <sup>2</sup>**[ "Propane Consumer's Bill of Rights"**  
38 describing] description of<sup>2</sup> the terms of <sup>2</sup>**[its]** their<sup>2</sup> plans or  
39 contracts for <sup>2</sup>the sale of<sup>2</sup> propane <sup>2</sup>**[service]** and propane services<sup>2</sup>  
40 in a plain and conspicuous manner <sup>2</sup>and providing for certification

**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.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Assembly ATU committee amendments adopted February 23, 2006.

<sup>2</sup>Senate SEG committee amendments adopted May 24, 2007.

1 of persons as qualified to engage in the sale of propane and to  
2 perform propane services pursuant to subsection c. of this section<sup>2</sup> .

3 b. The <sup>2</sup>["Propane Consumer's Bill of Rights"] description<sup>2</sup>  
4 required by subsection a. of this section shall contain the following  
5 information:

6 (1) <sup>2</sup>["Charges"] The supplier's or marketer's charges<sup>2</sup> and  
7 pricing policies for propane <sup>2</sup>["gas service"] and propane services<sup>2</sup>  
8 that <sup>2</sup>are disclosed in a format including a price conversion chart  
9 that will assist a customer to compare price offers from different  
10 propane suppliers or marketers on a uniform basis which<sup>2</sup> an  
11 average person can understand and use to do comparative <sup>2</sup>["price"]<sup>2</sup>  
12 shopping <sup>2</sup>["and comparative service and"] for propane, propane  
13 services and for a<sup>2</sup> supplier <sup>2</sup>["shopping"] or marketer<sup>2</sup>;

14 (2) Notification of the right of <sup>2</sup>["consumers"] customers<sup>2</sup> to  
15 obtain <sup>2</sup>the supplier's or marketer's<sup>2</sup> current prices of propane <sup>2</sup>and  
16 propane services<sup>2</sup> over the telephone, by <sup>2</sup>["fax"] facsimile<sup>2</sup>  
17 transmission or by any other electronic or written means including  
18 any additional charges that may be included in the plan or contract  
19 for any other items related to the purchase of propane <sup>2</sup>and propane  
20 services<sup>2</sup>;

21 (3) Whether the <sup>2</sup>supplier's or marketer's<sup>2</sup> price of propane  
22 <sup>2</sup>["gas service"]and propane services<sup>2</sup> may vary depending on  
23 non-scheduled or irregular deliveries <sup>2</sup>of propane, or the provision  
24 of propane services on weekends, nights, holidays or at other times  
25 outside of the normal weekday hours<sup>2</sup>, the criteria for determining  
26 what constitutes a non-scheduled or irregular delivery, <sup>2</sup>or outside  
27 of normal weekday hours<sup>2</sup>, and the cost of non-scheduled or  
28 irregular delivery if propane is provided outside of regular delivery  
29 <sup>2</sup>, or if propane services are provided outside of normal weekday  
30 hours<sup>2</sup>;

31 (4) The amount of any additional charges that may <sup>2</sup>["apply"] be  
32 charged by that supplier or marketer<sup>2</sup> to install a container or any  
33 other related equipment that may be needed <sup>2</sup>to store and utilize  
34 propane<sup>2</sup>, the amount of any container rental fees that may <sup>2</sup>["apply"]  
35 be charged by that supplier or marketer<sup>2</sup>, notice of the  
36 <sup>2</sup>["consumer's"] customer's<sup>2</sup> right to use the <sup>2</sup>["consumer's"]  
37 customer's<sup>2</sup> own container and regulator provided that the container  
38 and regulator <sup>2</sup>have been verified by the supplier or marketer to<sup>2</sup>  
39 meet <sup>2</sup>current<sup>2</sup> safety and licensing standards, and the cost charged  
40 by the supplier or marketer to verify whether the <sup>2</sup>["consumer's"]  
41 customer's<sup>2</sup> container and regulator meet current standards and  
42 regulations;

43 (5) Criteria used to determine <sup>2</sup>["the"] that supplier's or  
44 marketer's<sup>2</sup> pricing structure <sup>2</sup>["of"] for<sup>2</sup> propane <sup>2</sup>["gas service"] or

- 1 propane services<sup>2</sup>, including such criteria as annual usage, the area  
2 where the <sup>2</sup>[consumer] customer<sup>2</sup> lives, the quantity <sup>2</sup>or time<sup>2</sup> of  
3 the delivery or other factors;
- 4 <sup>2</sup>[(6)] (6)<sup>2</sup> A clear and concise written description of the services  
5 provided under a consumer's plan or contract, including a price  
6 conversion chart that will allow a consumer to compare price offers  
7 from different propane gas suppliers or marketers on a uniform  
8 basis;]<sup>2</sup>
- 9 <sup>2</sup>[(7)] (6)<sup>2</sup> Notice of the right to be contacted <sup>2</sup>by that supplier  
10 or marketer<sup>2</sup> at least seven business days before the propane  
11 <sup>2</sup>[gas]<sup>2</sup> supplier or marketer may discontinue further <sup>2</sup>propane<sup>2</sup>  
12 deliveries <sup>2</sup>[of service]<sup>2</sup> due to nonpayment;
- 13 <sup>2</sup>[(8)] (7)<sup>2</sup> Notice of the <sup>2</sup>[consumer's] customer's<sup>2</sup> right to  
14 receive written verification that the propane <sup>2</sup>[gas]<sup>2</sup> supplier or  
15 marketer is licensed by the New Jersey Department of Community  
16 Affairs;
- 17 <sup>2</sup>[(9)] (8)<sup>2</sup> Notice of the <sup>2</sup>[consumer's] customer's<sup>2</sup> right to  
18 change propane <sup>2</sup>[gas]<sup>2</sup> suppliers or marketers, consistent with the  
19 terms of the <sup>2</sup>[consumer's] customer's<sup>2</sup> plan or contract, if the  
20 <sup>2</sup>[consumer] customer<sup>2</sup> is dissatisfied with price or <sup>2</sup>[service <sup>1</sup>or  
21 any other legal agreement in addition to price or service<sup>1</sup>] services  
22 or for any other reason<sup>2</sup>;
- 23 <sup>2</sup>[(10)] (9)<sup>2</sup> Notice of whether a <sup>2</sup>[consumer] customer<sup>2</sup> is  
24 required to call for delivery <sup>2</sup>of propane<sup>2</sup> or if the deliveries are  
25 automatic, how often the automatic delivery will be <sup>2</sup>made<sup>2</sup>, <sup>1</sup>[the  
26 day on which the deliveries will be made,]<sup>1</sup> whether the deliveries  
27 will be made on weekends and holidays and <sup>2</sup>if so, whether there  
28 are additional charges to make deliveries on weekends and holidays  
29 <sup>2</sup>, and if the customer is to receive automatic delivery, whether the  
30 customer should inform the supplier or marketer of any changes in  
31 the customer's circumstances that might change the rate at which  
32 the customer uses propane<sup>2</sup>;
- 33 <sup>2</sup>[(11)] (10)<sup>2</sup> Notice of whether there is any minimal amount of  
34 propane per delivery, how many days a <sup>2</sup>[consumer] customer<sup>2</sup> has  
35 to pay a bill after <sup>2</sup>the<sup>2</sup> delivery of propane <sup>2</sup>[gas]<sup>2</sup> is made <sup>2</sup>or  
36 propane services are provided, as the case may be,<sup>2</sup> and how many  
37 days before late fees are charged to a <sup>2</sup>[consumer] customer<sup>2</sup> and  
38 what the <sup>2</sup>supplier's or<sup>2</sup> marketer's policy is for <sup>2</sup>the<sup>2</sup> delivery of  
39 propane <sup>2</sup>[gas] or the provision of propane services<sup>2</sup>, if needed,  
40 during the winter when a <sup>2</sup>[consumer] customer<sup>2</sup> may have  
41 outstanding debt; <sup>1</sup>[and]
- 42 <sup>2</sup>[(12)] (11)<sup>2</sup> Notice of the provisions contained within  
43 subsection c. of this section; <sup>2</sup>[and]<sup>2</sup> <sup>1</sup>

1 '[(12)]<sup>2</sup>[(13)]<sup>1</sup> (12) If desired by the supplier or marketer, a  
2 statement that nothing in this description is a waiver or amendment  
3 of the contract or plan between the supplier or marketer and the  
4 customer, but is merely a summary of the department's regulations  
5 for the convenience of the customer; and

6 (13)<sup>2</sup> Any other information that the department considers  
7 appropriate to ensure that <sup>2</sup>[consumers] customers<sup>2</sup> of propane  
8 <sup>2</sup>[gas] suppliers or marketers<sup>2</sup> are fully informed of the terms of  
9 their plans or contracts.

10 <sup>1</sup>c. To ensure the safety of this State's propane <sup>2</sup>[consumers]  
11 customers<sup>2</sup>, any <sup>2</sup>[consumer] customer<sup>2</sup> who desires to cause  
12 propane services to be performed <sup>2</sup>[to any propane appliance shall  
13 provide not less than three business days' prior actual notice to the  
14 propane supplier or marketer that regularly supplies such consumer  
15 with propane] should ensure that any such propane services are  
16 performed only by persons certified by the department pursuant to  
17 the regulations to be adopted pursuant to paragraph (1) of this  
18 subsection<sup>2</sup>.

19 <sup>2</sup>[(1) In the event a consumer, who shall have failed to provide  
20 the notice to the consumer's regular propane gas supplier or  
21 marketer required by this subsection, shall suffer any injury,  
22 damage or loss as a proximate consequence of any negligent  
23 installation, repair, replacement, maintenance, modification,  
24 adjustment or other service to any propane appliance or component  
25 thereof, no legal action shall be commenced or maintained against  
26 such consumer's regular propane gas supplier or marketer for such  
27 injury, damages or loss.

28 (2) In the event a consumer or any person shall suffer any  
29 injury, damage or loss as a proximate consequence of the  
30 consumer's or any other person's using any propane equipment or  
31 appliance in a manner or for any purpose other than that for which  
32 the equipment or appliance was originally intended by the  
33 manufacturer thereof, no legal action shall be commenced or  
34 maintained against such propane gas supplier or marketer for such  
35 injury, damages or loss.

36 (3) All propane gas suppliers and marketers shall document and  
37 maintain, in written or electronic format, all notices received from  
38 consumers pursuant to this subsection for a period of five years.

39 (4) No propane gas supplier or marketer shall be subject to any  
40 award of punitive, special or exemplary damages except upon a  
41 showing, by clear and convincing evidence, of gross negligence or  
42 willful misconduct.<sup>1</sup> (1) The department, in consultation with and  
43 upon the advice and recommendation of the Liquified Petroleum  
44 Gas Education and Safety Board, shall promulgate rules and  
45 regulations for the certification and competency testing of all  
46 persons engaged in the sale of propane and performing propane

1 services, and for the dissemination to the public of information  
2 regarding the current certification, or the lack thereof, of persons  
3 offering to perform propane services in this State.

4 (2) All persons who are certified by the department shall be  
5 legally responsible for the propane services they perform.<sup>2</sup>

6 <sup>1</sup>[c.] d.<sup>1</sup> Propane gas suppliers or marketers shall provide the  
7 information required by subsection b. of this section to a  
8 <sup>2</sup>[consumer] customer<sup>2</sup> prior to entering into any contract with a  
9 <sup>2</sup>[consumer] customer<sup>2</sup> for <sup>2</sup>the delivery of<sup>2</sup> propane <sup>2</sup>[gas service]  
10 or propane services<sup>2</sup>, upon renewal of an existing contract and in  
11 response to a request from a customer.

12 <sup>1</sup>[d.] e.<sup>1</sup> The department shall adopt rules and regulations  
13 directing propane <sup>2</sup>[gas]<sup>2</sup> suppliers and marketers to publish the  
14 information required by subsection b. of this section in a format that  
15 is clear, uniform and designed to ensure that <sup>2</sup>[consumers]  
16 customers<sup>2</sup> may accurately compare the true cost of services among  
17 different suppliers or marketers.

18 <sup>1</sup>[e.] f.<sup>1</sup> The department shall also require propane <sup>2</sup>[gas]<sup>2</sup>  
19 suppliers and marketers to meet the disclosure requirements in  
20 subsection b. of this section in advertising to the extent allowed by  
21 the advertising medium.

22  
23 4. Any propane gas supplier or marketer who neglects or  
24 knowingly fails to comply with the requirements of this act or of the  
25 regulations issued thereunder shall be subject to a penalty not to  
26 exceed \$1,000 per violation, which penalty may be imposed by the  
27 department and recovered in a civil action by a summary  
28 proceeding pursuant to the "Penalty Enforcement Law of 1999,"  
29 P.L.1999, c.274 (C.2A:58-10 et seq.). Payment of any such penalty  
30 shall be remitted to the department.

31  
32 5. The provisions of this act are severable. If any phrase,  
33 clause, sentence, provision or section is declared to be invalid or  
34 preempted by federal law or regulation, the validity of the  
35 remainder of this act shall not be affected thereby.

36  
37 6. This act shall take effect immediately.

38  
39  
40  
41  
42 \_\_\_\_\_  
43 Requires propane gas supplier or marketer to distribute to  
customers certain disclosures; establishes penalties for violations.

**ASSEMBLY, No. 2015**

**STATE OF NEW JERSEY**  
**212th LEGISLATURE**

PRE-FILED FOR INTRODUCTION IN THE 2006 SESSION

**Sponsored by:**

**Assemblyman JEFF VAN DREW**

**District 1 (Cape May, Atlantic and Cumberland)**

**SYNOPSIS**

Establishes "Propane Consumer's Bill of Rights."

**CURRENT VERSION OF TEXT**

As introduced.





1 AN ACT concerning propane gas service contracts and  
2 supplementing Title 52 of the Revised Statutes.

3

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

6

7 1. This act shall be known and may be cited as the "Propane Gas  
8 Consumer Protection Act."

9

10 2. As used in this act:

11 "Act" means the "Propane Gas Consumer Protection Act."

12 "Department" means the Department of Community Affairs.

13 "Propane" means any of the forms of liquefied petroleum  
14 products, including propane, propylene, butane, isobutane, and  
15 butylene, or any mixture of these hydrocarbons, that is utilized for  
16 residential and commercial heating purposes and for various  
17 appliances and fixtures, including, but not limited to, clothes  
18 washers and dryers, grills, lighting and electricity-producing fuel  
19 cells.

20 "Propane gas supplier" or "marketer" means a duly licensed  
21 business that takes title to propane gas and then assumes the  
22 contractual and legal obligation to provide propane gas to an  
23 end-user customer or customers.

24

25 3. a. Within 180 days following the effective date of this act,  
26 the department shall adopt rules and regulations pursuant to the  
27 "Administrative Procedure Act," P.L. 1968, c.410 (C.52:14B-1 et  
28 seq.) requiring that propane gas suppliers or marketers distribute to  
29 any customer a "Propane Consumer's Bill of Rights" describing the  
30 terms of its plans or contracts for propane service in a plain and  
31 conspicuous manner.

32 b. The "Propane Consumer's Bill of Rights" required by  
33 subsection a. of this section shall contain the following information:

34 (1) Charges and pricing policies for propane gas service that an  
35 average person can understand and use to do comparative price  
36 shopping and comparative service and supplier shopping;

37 (2) Notification of the right of consumers to obtain current prices  
38 of propane over the telephone, by fax transmission or by any other  
39 electronic or written means including any additional charges that  
40 may be included in the plan or contract for any other items related  
41 to the purchase of propane;

42 (3) Whether the price of propane gas service may vary depending  
43 on non-scheduled or irregular deliveries, the criteria for determining  
44 what constitutes a non-scheduled or irregular delivery, and the cost  
45 of non-scheduled or irregular delivery if propane is provided  
46 outside of regular delivery;

47 (4) The amount of any additional charges that may apply to  
48 install a container or any other related equipment that may be

- 1 needed, the amount of any container rental fees that may apply,  
2 notice of the consumer's right to use the consumer's own container  
3 and regulator provided that the container and regulator meet safety  
4 and licensing standards, and the cost charged by the supplier or  
5 marketer to verify whether the consumer's container and regulator  
6 meet current standards and regulations;
- 7 (5) Criteria used to determine the pricing structure of propane  
8 gas service, including such criteria as annual usage, the area where  
9 the consumer lives, the quantity of the delivery or other factors;
- 10 (6) A clear and concise written description of the services  
11 provided under a consumer's plan or contract, including a price  
12 conversion chart that will allow a consumer to compare price offers  
13 from different propane gas suppliers or marketers on a uniform  
14 basis;
- 15 (7) Notice of the right to be contacted at least seven business  
16 days before the propane gas supplier or marketer may discontinue  
17 further deliveries of service due to nonpayment;
- 18 (8) Notice of the consumer's right to receive written verification  
19 that the propane gas supplier or marketer is licensed by the New  
20 Jersey Department of Community Affairs;
- 21 (9) Notice of the consumer's right to change propane gas  
22 suppliers or marketers, consistent with the terms of the consumer's  
23 plan or contract, if the consumer is dissatisfied with price or  
24 service;
- 25 (10) Notice of whether a consumer is required to call for delivery  
26 or if the deliveries are automatic, how often the automatic delivery  
27 will be, the day on which the deliveries will be made, whether the  
28 deliveries will be made on weekends and holidays and if so,  
29 whether there are additional charges to make deliveries on  
30 weekends and holidays;
- 31 (11) Notice of whether there is any minimal amount of propane  
32 per delivery, how many days a consumer has to pay a bill after  
33 delivery of propane gas is made and how many days before late fees  
34 are charged to a consumer and what the marketer's policy is for  
35 delivery of propane gas, if needed, during the winter when a  
36 consumer may have outstanding debt; and
- 37 (12) Any other information that the department considers  
38 appropriate to ensure that consumers of propane gas are fully  
39 informed of the terms of their plans or contracts.
- 40 c. Propane gas suppliers or marketers shall provide the  
41 information required by subsection b. of this section to a consumer  
42 prior to entering into any contract with a consumer for propane gas  
43 service, upon renewal of an existing contract and in response to a  
44 request from a customer.
- 45 d. The department shall adopt rules and regulations directing  
46 propane gas suppliers and marketers to publish the information  
47 required by subsection b. of this section in a format that is clear,  
48 uniform and designed to ensure that consumers may accurately

1 compare the true cost of services among different suppliers or  
2 marketers.

3 e. The department shall also require propane gas suppliers and  
4 marketers to meet the disclosure requirements in subsection b. of  
5 this section in advertising to the extent allowed by the advertising  
6 medium.

7  
8 4. Any propane gas supplier or marketer who neglects or  
9 knowingly fails to comply with the requirements of this act or of the  
10 regulations issued thereunder shall be subject to a penalty not to  
11 exceed \$1,000 per violation, which penalty may be imposed by the  
12 department and recovered in a civil action by a summary  
13 proceeding pursuant to the "Penalty Enforcement Law of 1999,"  
14 P.L.1999, c.274 (C.2A:58-10 et seq.). Payment of any such penalty  
15 shall be remitted to the department.

16  
17 5. The provisions of this act are severable. If any phrase, clause,  
18 sentence, provision or section is declared to be invalid or preempted  
19 by federal law or regulation, the validity of the remainder of this act  
20 shall not be affected thereby.

21  
22 6. This act shall take effect immediately.

23  
24  
25 STATEMENT

26  
27 This bill requires the Department of Community Affairs to adopt  
28 rules and regulations pursuant to the "Administrative Procedure  
29 Act," P.L. 1968, c.410 (C.52:14B 1 et seq.) requiring that propane  
30 gas suppliers and marketers distribute to any consumer at the time a  
31 new contract is entered into, upon renewal of an existing contract  
32 and in response to a request from a consumer, a "Propane  
33 Consumer's Bill of Rights" describing the terms of its plans or  
34 contracts for propane gas service in a plain and conspicuous  
35 manner.

36 The bill requires the "Propane Consumer's Bill of Rights" to  
37 contain the following information:

38 (1) Charges and pricing policies that an average person can  
39 understand and use to do comparative price shopping and  
40 comparative service and supplier shopping;

41 (2) Notice of the consumer's right to obtain current prices of  
42 propane over the telephone, by fax transmission or by any other  
43 electronic or written means including any additional charges that  
44 may be included in the contract for any other items related to the  
45 purchase of propane;

46 (3) Whether the price of propane may vary depending on non  
47 scheduled or irregular deliveries, the criteria for determining what

- 1 constitutes an irregular delivery, the cost of non scheduled or  
2 irregular delivery if propane is provided outside of regular delivery;
- 3 (4) The amount of any additional charges that may apply to  
4 install a container, or any other related equipment that may be  
5 needed, the consumer's right to use the consumer's own containers  
6 and regulators provided that the containers and regulators meet  
7 safety and licensing standards, and the cost charged by the supplier  
8 or marketer to verify whether the consumer's containers and  
9 regulators meet current standards and regulations;
- 10 (5) Criteria used to determine the pricing structure of propane  
11 gas service, including such criteria as annual usage, the area where  
12 the consumer lives, the quantity of the delivery or other factors;
- 13 (6) A clear and concise written description of the services  
14 provided under a consumer's plan or contract, including a price  
15 conversion chart that will allow a consumer to compare price offers  
16 from different propane gas suppliers or marketers on a uniform  
17 basis;
- 18 (7) Notice of the right to be contacted at least seven business  
19 days before the propane gas supplier or marketer may discontinue  
20 further deliveries of service due to nonpayment;
- 21 (8) Notice of the consumer's right to written verification that the  
22 propane gas supplier or marketer is licensed by the New Jersey  
23 Department of Community Affairs;
- 24 (9) Notice of the consumer's right to change propane gas  
25 suppliers or marketers, consistent with the terms of the consumer's  
26 plan or contract, if the consumer is dissatisfied with price or  
27 service;
- 28 (10) Notice of whether a consumer is required to call for delivery  
29 or if the deliveries are automatic, how often the automatic delivery  
30 will be, the day on which the deliveries will be made, whether the  
31 deliveries will be made on weekends and holidays and if so,  
32 whether there are additional charges to make deliveries on  
33 weekends and holidays;
- 34 (11) Notice of whether there is any minimal amount of propane  
35 per delivery, how many days a consumer has to pay a bill after  
36 delivery of propane gas is made and how many days before late fees  
37 are charged to a consumer and what the marketer's policy is for  
38 delivery of propane gas, if needed, during the winter when a  
39 consumer may have outstanding debt; and
- 40 (12) Any other information that the department considers  
41 appropriate to ensure that consumers of propane gas are fully  
42 informed of the terms of their plans or contracts.
- 43 The bill also directs the department to require suppliers and  
44 marketers to meet the disclosure requirements in advertising to the  
45 extent allowed by the advertising medium. The bill also provides  
46 that any supplier or marketer who neglects or knowingly fails to

**A2015 VAN DREW**

6

- 1 comply with the requirements of this act shall be subject to a
- 2 penalty not to exceed \$1,000 per violation.

ASSEMBLY TELECOMMUNICATIONS AND UTILITIES  
COMMITTEE

STATEMENT TO  
**ASSEMBLY, No. 2015**

with committee amendments

**STATE OF NEW JERSEY**

DATED: FEBRUARY 23, 2006

The Assembly Telecommunications and Utilities Committee reports favorably Assembly Bill No. 2015 with committee amendments.

As amended, this bill requires the Department of Community Affairs (the "department") to adopt rules and regulations pursuant to the "Administrative Procedure Act," P.L. 1968, c.410 (C.52:14B-1 et seq.) requiring that propane gas suppliers and marketers distribute to any consumer at the time a new contract is entered into, upon renewal of an existing contract and in response to a request from a consumer, a "Propane Consumer's Bill of Rights" describing the terms of its plans or contracts for propane gas service in a plain and conspicuous manner.

The bill requires the "Propane Consumer's Bill of Rights" to contain the following information:

(1) Charges and pricing policies that an average person can understand and use to do comparative price shopping and comparative service and supplier shopping;

(2) Notice of the consumer's right to obtain current prices of propane over the telephone, by fax transmission or by any other electronic or written means including any additional charges that may be included in the contract for any other items related to the purchase of propane;

(3) Whether the price of propane may vary depending on non-scheduled or irregular deliveries, the criteria for determining what constitutes an irregular delivery, and the cost of non-scheduled or irregular delivery if propane is provided outside of regular delivery;

(4) The amount of any additional charges that may apply to install a container, or any other related equipment that may be needed, the consumer's right to use the consumer's own containers and regulators provided that the containers and regulators meet safety and licensing standards, and the cost charged by the supplier or marketer to verify whether the consumer's containers and regulators meet current standards and regulations;

(5) Criteria used to determine the pricing structure of propane gas service, including such criteria as annual usage, the area where the consumer lives, the quantity of the delivery or other factors;

(6) A clear and concise written description of the services provided under a consumer's plan or contract, including a price conversion chart that will allow a consumer to compare price offers from different propane gas suppliers or marketers on a uniform basis;

(7) Notice of the right to be contacted at least seven business days before the propane gas supplier or marketer may discontinue further deliveries of service due to nonpayment;

(8) Notice of the consumer's right to written verification that the propane gas supplier or marketer is licensed by the New Jersey Department of Community Affairs;

(9) Notice of the consumer's right to change propane gas suppliers or marketers, consistent with the terms of the consumer's plan or contract, if the consumer is dissatisfied with price or service or any other legal agreement in addition to price or service;

(10) Notice of whether a consumer is required to call for delivery or if the deliveries are automatic, how often the automatic delivery will be, whether the deliveries will be made on weekends and holidays and if so, whether there are additional charges to make deliveries on weekends and holidays;

(11) Notice of whether there is any minimal amount of propane per delivery, how many days a consumer has to pay a bill after delivery of propane gas is made and how many days before late fees are charged to a consumer and what the marketer's policy is for delivery of propane gas, if needed, during the winter when a consumer may have outstanding debt;

(12) Notice of the consumer's responsibility to give not less than three business days' prior notice to the consumer's regular propane supplier or marketer before attempting to perform any propane services to any propane appliance, including notice that the consumer's failure to give such notice prior to performing any propane services shall preclude any legal action against the consumer's regular propane gas supplier for injuries proximately caused by negligent service to a propane appliance; and

(13) Any other information that the department considers appropriate to ensure that consumers of propane gas are fully informed of the terms of their plans or contracts.

The bill also directs the department to require suppliers and marketers to meet the disclosure requirements in advertising to the extent allowed by the advertising medium. The bill also provides that any supplier or marketer who neglects or knowingly fails to comply with the requirements of this bill shall be subject to a penalty not to exceed \$1,000 per violation.

The committee adopted amendments to include a definition of "propane services" in section 2 of the bill, and to require the "Propane

Consumer's Bill of Rights" to: (1) include the three business day notice provisions concerning performance of propane services and notice of the consequences of failing to give such notice; (2) include notice of the consumer's right to change gas suppliers or marketers if dissatisfied with price, service or any other legal agreement in addition to price or service; and (3) eliminate a requirement that the day on which deliveries will be made be included in notice to the consumer.

The amendments concerning three days' prior notice to the consumer's regular propane gas supplier or marketer are intended to insure that propane gas suppliers and marketers, who have special knowledge and expertise in performing propane services, are given at least three business days' prior notice that the customer intends to cause such propane services to be performed, and that in the absence of such notice, the customer's regular propane gas supplier and marketer shall not be held liable for any resulting injuries to the consumer or any other person.



# SENATE ECONOMIC GROWTH COMMITTEE

## STATEMENT TO

[First Reprint]

## ASSEMBLY, No. 2015

with committee amendments

# STATE OF NEW JERSEY

DATED: MAY 24, 2007

The Senate Economic Growth Committee reports favorably Assembly Bill, No. 2015 (1R) with committee amendments.

This bill, as amended by the committee, requires the Department of Community Affairs ("department") to adopt rules and regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B 1 et seq.) (1) requiring that propane gas suppliers and marketers, prior to entering into any contract, upon renewal of an existing contract, and in response to a request, distribute to each customer a description of the terms of their plans or contracts for the sale of propane and services in a plain and conspicuous manner and (2) providing for certification of persons as qualified to engage in the sale of propane and to perform propane services. "Propane services" is defined in the bill as the performing of safety and leak testing of, and the performing of installation, maintenance, repair, removal, adjustment and other services to, propane appliances including, without limitation, ranges, water heaters, heaters, furnaces, containers and other propane fueled systems, for residential and commercial applications.

The bill requires the description to contain the following information:

(1) The supplier's and marketer's charges and pricing policies for propane and services;

(2) Notice of the customer's right to obtain the supplier's and marketer's current prices of propane and services over the telephone, by facsimile transmission or by any other electronic or written means;

(3) Whether the supplier's and marketer's price of propane and services may vary depending on non-scheduled or irregular deliveries, the criteria for determining what constitutes non-scheduled, irregular deliveries or outside of normal weekday hours, and the cost of non-scheduled or irregular deliveries if propane is so provided, or the cost of providing services if regular delivery or outside of normal weekday hours;

(4) The amount of any additional charges that may be charged by that supplier or marketer to install or rent a container, or any other related equipment that may be needed, notice that the customer may use the customer's own container and regulator provided that the container and regulator meet current safety and licensing standards, and the cost charged by the supplier or marketer to verify whether the customer's container and regulator meets current standards and regulations;

(5) Criteria used to determine the supplier's and marketer's pricing structure of propane gas and services, including such criteria as annual usage, the area where the customer lives, the quantity or time of the delivery or other factors;

(6) Notice of the right to be contacted by the supplier or marketer at least seven business days before the supplier or marketer may discontinue further propane deliveries due to nonpayment;

(7) Notice of the customer's right to written verification that the supplier or marketer is licensed by the department;

(8) Notice of the customer's right to change suppliers or marketers, consistent with the terms of the customer's plan or contract, if the customer is dissatisfied with price or services or for any other reason;

(9) Notice of conditions relating to the delivery of propane;

(10) Notice of whether there is any minimal amount of propane per delivery, how many days a customer has to pay a bill after delivery is made and how many days before late fees are charged and what the supplier's or marketer's policy is for delivery and services, if needed, during the winter when a customer may have outstanding debt;

(11) Notice of the department's rules concerning the certification and competency of persons engaged in the sale of propane or provision of propane services;

(12) If desired by the supplier or marketer, a statement that nothing in the description is a waiver or amendment of the contract or plan but is merely a summary of the department's rules; and

(13) Any other information that the department considers appropriate to ensure that customers are fully informed of the terms of their plans or contracts.

The bill also directs the department to require suppliers and marketers to meet the disclosure requirements in advertising to the extent allowed by the advertising medium. The bill also provides that any supplier or marketer who neglects or knowingly fails to comply with the requirements of this bill shall be subject to a penalty not to exceed \$1,000 per violation.

The committee amended to the bill to:

1) remove the language in the definition of "propane services" concerning its applicability to construction projects; 2) clarify the conditions under which the customer is allowed to change suppliers or marketers based on dissatisfaction with price, services or any other reason; 3) require that when the customer receives automatic delivery,

the customer shall provide notice to the supplier or marketer of any change of circumstances; 4) allow a supplier or marketer to provide a statement that nothing in the description is a waiver or amendment of the contract or plan but is merely a summary of the department's rules; 5) removes the provision that services to a propane appliance are not to be performed not less than three business day's notice to the customer; 6) add that the customer should ensure that any such propane services are performed only by persons certified by the department; 7) add that the department is to promulgate rules and regulations concerning the competency of persons selling propane and performing propane services and the dissemination of such information; 8) add that such certified persons are legally responsible for those services they perform; 9) remove the language prohibiting a customer from seeking legal action against a supplier or marketer and that the supplier or marketer is not subject to certain legal damages; 10) remove the requirement that suppliers and marketers document and maintain, in written or electronic format, certain notices received from customers for a period of five years; and 11) make various clarifying technical corrections.

As amended and reported by the committee, Assembly Bill, No. 2015 (1R) is identical to Senate Bill, No. 1836 which was amended and also reported by the committee on this date.

**SENATE, No. 1836**

**STATE OF NEW JERSEY**  
**212th LEGISLATURE**

INTRODUCED MAY 11, 2006

**Sponsored by:**

**Senator LEONARD T. CONNORS, JR.**

**District 9 (Atlantic, Burlington and Ocean)**

**Senator NICHOLAS ASSELTA**

**District 1 (Cape May, Atlantic and Cumberland)**

**SYNOPSIS**

Establishes "Propane Consumer's Bill of Rights."

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 9/19/2006)**

1 AN ACT concerning propane gas service contracts and  
2 supplementing Title 52 of the Revised Statutes.

3

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

6

7 1. This act shall be known and may be cited as the "Propane Gas  
8 Consumer Protection Act."

9

10 2. As used in this act:

11 "Act" means the "Propane Gas Consumer Protection Act."

12 "Department" means the Department of Community Affairs.

13 "Propane" means any of the forms of liquefied petroleum  
14 products, including propane, propylene, butane, isobutane, and  
15 butylene, or any mixture of these hydrocarbons, that is utilized for  
16 residential and commercial heating purposes and for various  
17 appliances and fixtures, including, but not limited to, clothes  
18 washers and dryers, grills, lighting and electricity-producing fuel  
19 cells.

20 "Propane gas supplier" or "marketer" means a duly licensed  
21 business that takes title to propane gas and then assumes the  
22 contractual and legal obligation to provide propane gas to an  
23 end-user customer or customers.

24 "Propane services" means the performing of safety and leak  
25 testing of, and the performing of installation, maintenance, repair,  
26 adjustment and other services to, propane appliances including,  
27 without limitation, ranges, water heaters, heaters, furnaces,  
28 containers and other propane fueled systems, for residential and  
29 commercial applications and in connection with construction  
30 projects.

31

32 3. a. Within 180 days following the effective date of this act,  
33 the department shall adopt rules and regulations pursuant to the  
34 "Administrative Procedure Act," P.L. 1968, c.410 (C.52:14B-1 et  
35 seq.) requiring that propane gas suppliers or marketers distribute to  
36 any customer a "Propane Consumer's Bill of Rights" describing the  
37 terms of its plans or contracts for propane service in a plain and  
38 conspicuous manner.

39 b. The "Propane Consumer's Bill of Rights" required by  
40 subsection a. of this section shall contain the following information:

41 (1) Charges and pricing policies for propane gas service that an  
42 average person can understand and use to do comparative price  
43 shopping and comparative service and supplier shopping;

44 (2) Notification of the right of consumers to obtain current  
45 prices of propane over the telephone, by fax transmission or by any  
46 other electronic or written means including any additional charges  
47 that may be included in the plan or contract for any other items  
48 related to the purchase of propane;

- 1 (3) Whether the price of propane gas service may vary  
2 depending on non-scheduled or irregular deliveries, the criteria for  
3 determining what constitutes a non-scheduled or irregular delivery,  
4 and the cost of non-scheduled or irregular delivery if propane is  
5 provided outside of regular delivery;
- 6 (4) The amount of any additional charges that may apply to  
7 install a container or any other related equipment that may be  
8 needed, the amount of any container rental fees that may apply,  
9 notice of the consumer's right to use the consumer's own container  
10 and regulator provided that the container and regulator meet safety  
11 and licensing standards, and the cost charged by the supplier or  
12 marketer to verify whether the consumer's container and regulator  
13 meet current standards and regulations;
- 14 (5) Criteria used to determine the pricing structure of propane  
15 gas service, including such criteria as annual usage, the area where  
16 the consumer lives, the quantity of the delivery or other factors;
- 17 (6) A clear and concise written description of the services  
18 provided under a consumer's plan or contract, including a price  
19 conversion chart that will allow a consumer to compare price offers  
20 from different propane gas suppliers or marketers on a uniform  
21 basis;
- 22 (7) Notice of the right to be contacted at least seven business  
23 days before the propane gas supplier or marketer may discontinue  
24 further deliveries of service due to nonpayment;
- 25 (8) Notice of the consumer's right to receive written verification  
26 that the propane gas supplier or marketer is licensed by the New  
27 Jersey Department of Community Affairs;
- 28 (9) Notice of the consumer's right to change propane gas  
29 suppliers or marketers, consistent with the terms of the consumer's  
30 plan or contract, if the consumer is dissatisfied with price or service  
31 or any other legal agreement in addition to price or service;
- 32 (10) Notice of whether a consumer is required to call for delivery  
33 or if the deliveries are automatic, how often the automatic delivery  
34 will be, whether the deliveries will be made on weekends and  
35 holidays and if so, whether there are additional charges to make  
36 deliveries on weekends and holidays;
- 37 (11) Notice of whether there is any minimal amount of propane  
38 per delivery, how many days a consumer has to pay a bill after  
39 delivery of propane gas is made and how many days before late fees  
40 are charged to a consumer and what the marketer's policy is for  
41 delivery of propane gas, if needed, during the winter when a  
42 consumer may have outstanding debt;
- 43 (12) Notice of the provisions contained within subsection c. of  
44 this section; and
- 45 (13) Any other information that the department considers  
46 appropriate to ensure that consumers of propane gas are fully  
47 informed of the terms of their plans or contracts.

1 c. To ensure the safety of this State's propane consumers, any  
2 consumer who desires to cause propane services to be performed to  
3 any propane appliance shall provide not less than three business  
4 days' prior actual notice to the propane supplier or marketer that  
5 regularly supplies such consumer with propane.

6 (1) In the event a consumer, who shall have failed to provide the  
7 notice to the consumer's regular propane gas supplier or marketer  
8 required by this subsection, shall suffer any injury, damage or loss  
9 as a proximate consequence of any negligent installation, repair,  
10 replacement, maintenance, modification, adjustment or other  
11 service to any propane appliance or component thereof, no legal  
12 action shall be commenced or maintained against such consumer's  
13 regular propane gas supplier or marketer for such injury, damages  
14 or loss.

15 (2) In the event a consumer or any person shall suffer any injury,  
16 damage or loss as a proximate consequence of the consumer's or  
17 any other person's using any propane equipment or appliance in a  
18 manner or for any purpose other than that for which the equipment  
19 or appliance was originally intended by the manufacturer thereof,  
20 no legal action shall be commenced or maintained against such  
21 propane gas supplier or marketer for such injury, damages or loss.

22 (3) All propane gas suppliers and marketers shall document and  
23 maintain, in written or electronic format, all notices received from  
24 consumers pursuant to this subsection for a period of five years.

25 (4) No propane gas supplier or marketer shall be subject to any  
26 award of punitive, special or exemplary damages except upon a  
27 showing, by clear and convincing evidence, of gross negligence or  
28 willful misconduct.

29 d. Propane gas suppliers or marketers shall provide the  
30 information required by subsection b. of this section to a consumer  
31 prior to entering into any contract with a consumer for propane gas  
32 service, upon renewal of an existing contract and in response to a  
33 request from a customer.

34 e. The department shall adopt rules and regulations directing  
35 propane gas suppliers and marketers to publish the information  
36 required by subsection b. of this section in a format that is clear,  
37 uniform and designed to ensure that consumers may accurately  
38 compare the true cost of services among different suppliers or  
39 marketers.

40 f. The department shall also require propane gas suppliers and  
41 marketers to meet the disclosure requirements in subsection b. of  
42 this section in advertising to the extent allowed by the advertising  
43 medium.

44

45 4. Any propane gas supplier or marketer who neglects or  
46 knowingly fails to comply with the requirements of this act or of the  
47 regulations issued thereunder shall be subject to a penalty not to  
48 exceed \$1,000 per violation, which penalty may be imposed by the

1 department and recovered in a civil action by a summary  
2 proceeding pursuant to the "Penalty Enforcement Law of 1999,"  
3 P.L.1999, c.274 (C.2A:58-10 et seq.). Payment of any such penalty  
4 shall be remitted to the department.

5

6 5. The provisions of this act are severable. If any phrase, clause,  
7 sentence, provision or section is declared to be invalid or preempted  
8 by federal law or regulation, the validity of the remainder of this act  
9 shall not be affected thereby.

10

11 6. This act shall take effect immediately.

12

13

14

#### STATEMENT

15

16 This bill requires the Department of Community Affairs (the  
17 "department") to adopt rules and regulations pursuant to the  
18 "Administrative Procedure Act," P.L. 1968, c.410 (C.52:14B-1 et  
19 seq.) requiring that propane gas suppliers and marketers distribute  
20 to any consumer at the time a new contract is entered into, upon  
21 renewal of an existing contract and in response to a request from a  
22 consumer, a "Propane Consumer's Bill of Rights" describing the  
23 terms of its plans or contracts for propane gas service in a plain and  
24 conspicuous manner.

25 The bill requires the "Propane Consumer's Bill of Rights" to  
26 contain the following information:

27 (1) Charges and pricing policies that an average person can  
28 understand and use to do comparative price shopping and  
29 comparative service and supplier shopping;

30 (2) Notice of the consumer's right to obtain current prices of  
31 propane over the telephone, by fax transmission or by any other  
32 electronic or written means including any additional charges that  
33 may be included in the contract for any other items related to the  
34 purchase of propane;

35 (3) Whether the price of propane may vary depending on non-  
36 scheduled or irregular deliveries, the criteria for determining what  
37 constitutes an irregular delivery, and the cost of non-scheduled or  
38 irregular delivery if propane is provided outside of regular delivery;

39 (4) The amount of any additional charges that may apply to  
40 install a container, or any other related equipment that may be  
41 needed, the consumer's right to use the consumer's own containers  
42 and regulators provided that the containers and regulators meet  
43 safety and licensing standards, and the cost charged by the supplier  
44 or marketer to verify whether the consumer's containers and  
45 regulators meet current standards and regulations;

46 (5) Criteria used to determine the pricing structure of propane  
47 gas service, including such criteria as annual usage, the area where  
48 the consumer lives, the quantity of the delivery or other factors;



1 (6) A clear and concise written description of the services  
2 provided under a consumer's plan or contract, including a price  
3 conversion chart that will allow a consumer to compare price offers  
4 from different propane gas suppliers or marketers on a uniform  
5 basis;

6 (7) Notice of the right to be contacted at least seven business  
7 days before the propane gas supplier or marketer may discontinue  
8 further deliveries of service due to nonpayment;

9 (8) Notice of the consumer's right to written verification that the  
10 propane gas supplier or marketer is licensed by the New Jersey  
11 Department of Community Affairs;

12 (9) Notice of the consumer's right to change propane gas  
13 suppliers or marketers, consistent with the terms of the consumer's  
14 plan or contract, if the consumer is dissatisfied with price or service  
15 or any other legal agreement in addition to price or service;

16 (10) Notice of whether a consumer is required to call for delivery  
17 or if the deliveries are automatic, how often the automatic delivery  
18 will be, whether the deliveries will be made on weekends and  
19 holidays and if so, whether there are additional charges to make  
20 deliveries on weekends and holidays;

21 (11) Notice of whether there is any minimal amount of propane  
22 per delivery, how many days a consumer has to pay a bill after  
23 delivery of propane gas is made and how many days before late fees  
24 are charged to a consumer and what the marketer's policy is for  
25 delivery of propane gas, if needed, during the winter when a  
26 consumer may have outstanding debt;

27 (12) Notice of the consumer's responsibility to give not less than  
28 three business days' prior notice to the consumer's regular propane  
29 supplier or marketer before attempting to perform any propane  
30 services to any propane appliance, including notice that the  
31 consumer's failure to give such notice prior to performing any  
32 propane services shall preclude any legal action against the  
33 consumer's regular propane gas supplier for injuries proximately  
34 caused by negligent service to a propane appliance; and

35 (13) Any other information that the department considers  
36 appropriate to ensure that consumers of propane gas are fully  
37 informed of the terms of their plans or contracts.

38 The bill also directs the department to require suppliers and  
39 marketers to meet the disclosure requirements in advertising to the  
40 extent allowed by the advertising medium. The bill also provides  
41 that any supplier or marketer who neglects or knowingly fails to  
42 comply with the requirements of this bill shall be subject to a  
43 penalty not to exceed \$1,000 per violation.

# SENATE ECONOMIC GROWTH COMMITTEE

## STATEMENT TO

### **SENATE, No. 1836**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: MAY 24, 2007

The Senate Economic Growth Committee reports favorably Senate Bill, No. 1836 with committee amendments.

This bill, as amended by the committee, requires the Department of Community Affairs (“department”) to adopt rules and regulations pursuant to the "Administrative Procedure Act," P.L. 1968, c.410 (C.52:14B 1 et seq.) (1) requiring that propane gas suppliers and marketers, prior to entering into any contract, upon renewal of an existing contract, and in response to a request, distribute to each customer a description of the terms of their plans or contracts for the sale of propane and services in a plain and conspicuous manner and (2) providing for certification of persons as qualified to engage in the sale of propane and to perform propane services. “Propane services” is defined in the bill as the performing of safety and leak testing of, and the performing of installation, maintenance, repair, removal, adjustment and other services to, propane appliances including, without limitation, ranges, water heaters, heaters, furnaces, containers and other propane fueled systems, for residential and commercial applications.

The bill requires the description to contain the following information:

(1) The supplier’s and marketer’s charges and pricing policies for propane and services;

(2) Notice of the customer's right to obtain the supplier’s and marketer’s current prices of propane and services over the telephone, by facsimile transmission or by any other electronic or written means;

(3) Whether the supplier’s and marketer’s price of propane and services may vary depending on non-scheduled or irregular deliveries, the criteria for determining what constitutes non-scheduled, irregular deliveries or outside of normal weekday hours, and the cost of non-scheduled or irregular deliveries if propane is so provided, or the cost of providing services if regular delivery or outside of normal weekday hours;

(4) The amount of any additional charges that may be charged by that supplier or marketer to install or rent a container, or any other related equipment that may be needed, notice that the customer may

use the customer's own container and regulator provided that the container and regulator meet current safety and licensing standards, and the cost charged by the supplier or marketer to verify whether the customer's container and regulator meets current standards and regulations;

(5) Criteria used to determine the supplier's and marketer's pricing structure of propane gas and services, including such criteria as annual usage, the area where the customer lives, the quantity or time of the delivery or other factors;

(6) Notice of the right to be contacted by the supplier or marketer at least seven business days before the supplier or marketer may discontinue further propane deliveries due to nonpayment;

(7) Notice of the customer's right to written verification that the supplier or marketer is licensed by the department;

(8) Notice of the customer's right to change suppliers or marketers, consistent with the terms of the customer's plan or contract, if the customer is dissatisfied with price or services or for any other reason;

(9) Notice of conditions relating to the delivery of propane;

(10) Notice of whether there is any minimal amount of propane per delivery, how many days a customer has to pay a bill after delivery is made and how many days before late fees are charged and what the supplier's or marketer's policy is for delivery and services, if needed, during the winter when a customer may have outstanding debt;

(11) Notice of the department's rules concerning the certification and competency of persons engaged in the sale of propane or provision of propane services;

(12) If desired by the supplier or marketer, a statement that nothing in the description is a waiver or amendment of the contract or plan but is merely a summary of the department's rules; and

(13) Any other information that the department considers appropriate to ensure that customers are fully informed of the terms of their plans or contracts.

The bill also directs the department to require suppliers and marketers to meet the disclosure requirements in advertising to the extent allowed by the advertising medium. The bill also provides that any supplier or marketer who neglects or knowingly fails to comply with the requirements of this bill shall be subject to a penalty not to exceed \$1,000 per violation.

The committee amended to the bill to:

1) remove the language in the definition of "propane services" concerning its applicability to construction projects; 2) clarify the conditions under which the customer is allowed to change suppliers or marketers based on dissatisfaction with price, services or any other reason; 3) require that when the customer receives automatic delivery, the customer shall provide notice to the supplier or marketer of any change of circumstances; 4) allow a supplier or marketer to provide a statement that nothing in the description is a waiver or amendment of

the contract or plan but is merely a summary of the department's rules; 5) removes the provision that services to a propane appliance are not to be performed not less than three business day's notice to the customer; 6) add that the customer should ensure that any such propane services are performed only by persons certified by the department; 7) add that the department is to promulgate rules and regulations concerning the competency of persons selling propane and performing propane services and the dissemination of such information; 8) add that such certified persons are legally responsible for those services they perform; 9) remove the language prohibiting a customer from seeking legal action against a supplier or marketer and that the supplier or marketer is not subject to certain legal damages; 10) remove the requirement that suppliers and marketers document and maintain, in written or electronic format, certain notices received from customers for a period of five years; and 11) make various clarifying technical corrections.

As amended and reported by the committee, Senate Bill, No. 1836 is identical to Assembly Bill, No. 2015 (1R) which was also amended and reported by the committee on this date.