

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 560

H. P. 443 House of Representatives, February 14, 1979 Referred to the Committee on Public Utilities. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Ms. A. Brown of Gorham. Cosponsors: Mr. McKean of Limestone and Mrs. Gowen of Standish.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED SEVENTY-NINE

AN ACT to Extend Conditional Exemption from Utility Deposits to Commercial and Industrial Customers under the Public Utility Law.

Be it enacted by the People of the State of Maine, as follows:

35 MRSA § 105, first sentence, as enacted by PL 1975, c. 378, is amended to read:

No public utility shall require any deposit of any residential customer without proof that the customer is likely to be a credit risk or to damage the property of the utility.

STATEMENT OF FACT

The purpose of this bill is to allow business customers to be exempt from utility deposits, except businesses that are credit risks, in the same way as residential customers. Utility deposits can be very substantial, and small businesses in particular can experience a severe cash flow problem as a result of the deposit. Utilities can cut off essential service and force heretofore reliable firms that become delinquent utility customers to pay their bills. The bills therefore, puts business customers in the same category as residential customers with respect to deposits.