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Sponsored by:

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District 17 (Middlesex and Somerset)

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S-2996

## SYNOPSIS

“Save New Jersey Electric and Gas Public Utility Customer Service and Call Center Jobs Act”; requires notification by electric and gas utilities when relocating customer and call centers out of State.

## CURRENT VERSION OF TEXT

As introduced.

**AN ACT** concerning the relocation of electric and gas public utility call centers and supplementing chapter 21 of Title 34 of the Revised Statutes.

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

1. This act shall be known and may be cited as the “Save New Jersey Electric and Gas Public Utility Customer Service and Call Center Jobs Act.”

2. For the purposes of this act:

“Board” means the Board of Public Utilities.

“Call center” means a facility or other operation whereby workers receive telephone calls, email messages, or other electronic communication for the purpose of providing customer assistance or other similar service.

“Commissioner” means the Commissioner of Labor and Workforce Development.

“Customer service work” means work assisting electric and gas public utility customers which is performed by workers in, but not limited to, walk-in customer service centers, call centers, collection call centers, billing departments, and payment centers. For the purposes of this act, “customer service work” shall also include field collection, meter reading, and field service work.

“Employer” means any electric or gas public utility regulated by the Board of Public Utilities pursuant to Title 48 of the Revised Statutes that employs 50 or more full-time workers or 50 or more workers that, in the aggregate, work at least 1,500 hours per week,

excluding overtime hours, for the purpose of staffing either a walk-in customer service center, call center, collection call center, billing department, or payment center or for the purpose of providing either field collection, meter reading, or field service work.

3. a. Any employer that relocates a walk-in customer service center, call center, collection call center, billing department, or payment center, or transfers one or more facilities or operating units comprising at least 30 percent of a walk-in customer service center's, call center's, collection call center's, billing department's, or payment center's total operating volume of telephone calls, email messages, or other electronic communications when measured against the previous 12 month average volume of those operations, from the State to any other state or territory of the United States of America or to a foreign country, shall notify the commissioner at least 120 days prior to the relocation or transfer of operations.

b. Any employer that awards a contract to perform field collection, meter reading, or field service work to a contractor whose principal place of business is located outside the State where such work had previously been performed by employees of the employer, shall notify the commissioner at least 120 days prior to the relocation or transfer of operations.

c. Any employer that violates the notification requirement pursuant to subsection a. or b. of this section shall be subject to a civil penalty in an amount not to exceed \$10,000 for each day the employer fails to provide the notification, collectible by the commissioner in a summary proceeding pursuant to the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.). The commissioner shall have the authority to waive this penalty.

d. Nothing set forth in P.L. , c. (C. ) (pending before the Legislature as this bill) shall be construed as creating, establishing, or authorizing a private cause of action by an aggrieved person against an employer who has violated, or is alleged to have violated, subsection a. or b. of this section.

4. The commissioner shall compile and maintain a list of all employers that are required to provide notification pursuant to subsections a. and b. of section 3 of P.L. , c. (C. ) (pending before the Legislature as this bill). The commissioner shall update the list on a monthly basis and an employer shall remain on the list for a period not to exceed three years after each instance of notification pursuant to subsection a. or b. of section 3 of P.L. , c. (C. ) (pending before the Legislature as this bill). The commissioner shall make the list of employers available to the public and prominently display a link to the list on the Internet website of the Department of Labor and Workforce Development.

5. a. Notwithstanding any other provision of law, rule, or regulation to the contrary, an employer that is added to the list compiled and maintained by the commissioner pursuant to section 4 of P.L. , c. (C. ) (pending before the Legislature as this bill) shall be ineligible to receive any direct or indirect State grant, guaranteed loan, tax benefit, and any other financial support for the three years following the date upon which the employer is added to the list. In any proceeding to fix or increase the rates of an employer pursuant to R.S.48:2-21, the board shall ascertain whether that employer has been, within the three years preceding the employer's petition for a rate increase, included on the list compiled and maintained by the commissioner pursuant to section 4 of P.L. , c. (C. ) (pending before the Legislature as this bill).

b. The commissioner, in consultation with the appropriate governmental entity providing any direct or indirect State grant, guaranteed loan, tax benefit, rate increase, or any other financial support to an employer, may waive the prohibition provided for in subsection a. of this section if it is demonstrated, to the satisfaction of the commissioner, that the prohibition of subsection a. of this section would result in a substantial loss of jobs in this State or harm the environment.

6. Notwithstanding any provision of law, rule, or regulation to the contrary, a State department or agency, in making or awarding a contract for customer service work, shall grant a preference for such contract to qualified businesses located in the State and employing residents of the State, up to the limits set forth under rules and regulations promulgated pursuant to section 9 of P.L. , c. (C. ) (pending before the Legislature as this bill).

7. Nothing in this act shall be construed to permit the withholding or denial of payments, compensation, or benefits under any State law, including unemployment benefits, disability benefits, or worker retraining or readjustment benefits to workers employed by an employer that relocates customer service work or transfers one or more facilities or operating units performing customer service work to another State or territory of the United States of America or foreign country.

8. An employer shall not, without approval of the board, contract for customer service work previously performed by employees of the employer. The board, prior to approving any request by an employer to contract for customer service work previously performed by employees of the employer, shall, after adequate notice and public hearing, evaluate the impact of the contracting of customer service work on competition, on the rates of ratepayers affected by the contracting of customer service work, on the employees of the affected employer, and on the provision of safe, proper, and adequate electric or gas utility service at just and reasonable rates. The board shall not approve the contracting of customer service work by an employer until the employer shall prove, by a preponderance of evidence, that positive benefits shall flow to customers and the State and, at a minimum, that there are no adverse impacts on customer service, reliability, or quality as a result of the contracting of customer service work previously performed by employees of the employer. If, after a thorough review of all evidence, written and oral, produced pursuant to the aforementioned notice and public hearing, the board finds that

the proposed contracting of customer service work previously performed by employees of the employer will not result in positive benefits and will have a negative impact on either the community or the employer's customer service, reliability of service, or quality of service, then the board shall deny such request.

9. The commissioner shall promulgate rules and regulations, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to identify qualified businesses under section 6 of this act. The rules and regulations shall also set forth limits on the amount of preference that may be given to a qualified business located in the State employing residents of the State.

10. This act shall take effect 181 days following the date of enactment.

## STATEMENT

This bill requires that any employer that relocates either a walk-in customer service center, call center, collection call center, billing department, or payment center, or transfers either one or more facilities or operating units comprising at least 30 percent of a walk-in customer service center's, call center's, collection call center's, billing department's or payment center's total operating volume of telephone calls, email messages, or other electronic communications when measured against the previous 12 month average volume of those operations, from the State to any other state or territory of the United States of America or to a foreign country shall notify the Commissioner of the Department of Labor and Workforce Development ("commissioner") at least 120 days prior to the relocation or transfer of operations. "Employer," as defined in the bill, is an electric or gas public utility regulated by the Board of Public Utilities ("board").

The bill requires the commissioner to compile and maintain a list of all employers that provide notification under the bill. The commissioner shall update the list on a monthly basis and an employer shall remain on the list for a period not to exceed three years after each instance of notification. The commissioner shall make the list of employers available to the public and prominently display a link to the list on the Internet website of the Department of Labor and Workforce Development.

The bill provides that an employer that is added to the list compiled and maintained by the commissioner shall be ineligible to receive any direct or indirect State grant, guaranteed loan, tax benefit, and any other financial support for the three years following the date upon which the employer is added to the list. In any proceeding to fix or increase the rates of an employer pursuant to R.S.48:2-21, the board shall ascertain whether that employer has been, within the three years preceding the employer's petition for a rate increase, included on the list compiled and maintained by the commissioner.

The bill allows the commissioner, in consultation with the appropriate governmental entity providing any direct or indirect State grant, guaranteed loan, tax benefit, rate increase or any other financial support to an employer, to waive the State financial support prohibition if it is demonstrated, to the satisfaction of the commissioner, that the prohibition would result in a substantial loss of jobs in this State or harm the environment.

The bill requires a State department or agency, in making or awarding a contract for "customer service work" as that term is defined in the bill, to grant a preference for such contract to qualified businesses located in the State and employing residents of the State, up to the limits set forth under rules and regulations promulgated.

The bill provides that an employer shall not, without approval of the board, contract for customer service work previously performed by employees of the employer. The board, prior to approving any request by an employer to contract for customer service work previously performed by employees of the employer, shall, after adequate notice and public hearing, evaluate the impact of the contracting of customer service work on

competition, on the rates of ratepayers affected by the contracting of customer service work, on the employees of the affected employer, and on the provision of safe, proper, and adequate electric and gas utility service at just and reasonable rates. The board shall not approve the contracting of customer service work by an employer until the employer shall prove, by a preponderance of evidence, that positive benefits shall flow to customers and the State and, at a minimum, that there are no adverse impacts on customer service, reliability, or quality as a result of the contracting of customer service work previously performed by employees of the employer.

Lastly, the bill provides that if, after a thorough review of all evidence, written and oral, produced pursuant to the aforementioned notice, and public hearing, the board finds that the proposed contracting of customer service work previously performed by employees of the employer will not result in positive benefits and will have a negative impact on either the community or the employer's customer service, reliability of service, or quality of service, then the board shall deny the request.