

**Department of Legislative Services**  
Maryland General Assembly  
2020 Session

**FISCAL AND POLICY NOTE**  
**Third Reader - Revised**

Senate Bill 628  
Finance

(Senator Kagan)

Economic Matters

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**Utilities - Surviving Spouse of Account Holder - Protections**

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This bill generally requires a “utility,” as defined, in the event of an account owner’s death, to provide specified assistance to a surviving spouse related to the administration of the utility account. Upon receipt of specified proof of the relevant circumstances from the surviving spouse, a utility must either (1) keep the deceased’s account open for at least six months with the surviving spouse as a joint account holder or (2) transfer the account to the surviving spouse. Generally, the utility must complete the entire process without requiring any further information, other than updated contact information, or imposing any fee or penalty; however, a utility may impose a fee or penalty or terminate an account for nonpayment. The utility may also close the account at the request of the surviving spouse.

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**Fiscal Summary**

**State Effect:** The bill does not materially affect State finances or operations.

**Local Effect:** To the extent that the bill alters existing processes, local utilities can likely handle the bill’s requirements with existing budgeted resources.

**Small Business Effect:** Minimal. Small for-profit water and sewer companies and electricity and gas suppliers must comply with the bill, but can likely do so with minimal or no additional costs.

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## Analysis

**Bill Summary:** “Utility” means an electric company, an electricity supplier, a gas company, a gas supplier, a sewage disposal company, a water company, or any combination of these companies.

**Current Law/Background:** No current law or regulations adopted by the Public Service Commission (PSC) specifically address the transfer of utility account ownership to a surviving spouse. PSC regulations generally allow a gas or electric company to require each applicant for residential service to establish credit, and, if the individual is unable to do so, require the applicant to pay a cash deposit. However, individuals age 60 or older cannot be required to pay a deposit if they provide proof of age, intent to be the primary consumer of the utility service, and the absence of any outstanding utility bill for service.

A cursory review of various utility websites and consumer guides by the Department of Legislative Services did not reveal a utility policy directly addressing the situation of a deceased spouse and the transfer or discontinuation of utility service. However, that does not preclude the existence of such policies.

The bill applies to gas and electric companies, gas and electricity suppliers (under customer choice), and for-profit water and sewer companies. Among similar entities not included in the bill, based on existing definitions in the Public Utilities Article, are telephone companies, government-owned water/sewer companies, and the Washington Suburban Sanitary Commission.

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## Additional Information

**Prior Introductions:** None.

**Designated Cross File:** None.

**Information Source(s):** Public Service Commission; Office of People’s Counsel; Washington Suburban Sanitary Commission; Department of Legislative Services

**Fiscal Note History:**  
rh/lgc

First Reader - February 18, 2020

Third Reader - March 13, 2020

Revised - Amendment(s) - March 13, 2020

Revised - Clarification - March 13, 2020

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