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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 66 Session of  
2013

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INTRODUCED BY STURLA, D. COSTA, FRANKEL, O'BRIEN, PASHINSKI,  
FABRIZIO, KORTZ AND CALTAGIRONE, JANUARY 10, 2013

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REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, JANUARY 10, 2013

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AN ACT

1 Amending Title 66 (Public Utilities) of the Pennsylvania  
2 Consolidated Statutes, further providing for requirements for  
3 natural gas suppliers and for requirements for electric  
4 generation suppliers.

5 The General Assembly of the Commonwealth of Pennsylvania  
6 hereby enacts as follows:

7 Section 1. Sections 2208 and 2809 of Title 66 of the  
8 Pennsylvania Consolidated Statutes are amended by adding  
9 subsections to read:

10 § 2208. Requirements for natural gas suppliers.

11 \* \* \*

12 (h) Prohibitions.--The following shall apply:

13 (1) Natural gas suppliers are prohibited from charging,  
14 levying and imposing on their affiliated subsidiaries,  
15 employees, contractors, subcontractors, third-party marketers  
16 or third-party sales agents a cost, expense or fee for the  
17 purpose of engaging in direct or indirect marketing activity  
18 on behalf of the natural gas suppliers for the purpose of  
19 soliciting customers for natural gas supply.

1       (2) Natural gas suppliers are prohibited from charging,  
2       levying and imposing on their affiliated subsidiaries,  
3       employees, contractors, subcontractors, third-party marketers  
4       or third-party sales agents a cost, expense or fee for the  
5       purchase of marketing materials, distributorships, binders of  
6       sales and training materials and the creation of a marketing  
7       Internet website.

8       (3) Natural gas suppliers shall not compensate  
9       distributors, employees, contractors, subcontractors, agents  
10       or third parties to recruit other distributors, employees,  
11       contractors, subcontractors, agents or third parties.

12       (i) Customer protections.--The following shall apply:

13       (1) Natural gas suppliers and their affiliated  
14       subsidiaries engaged in door-to-door or multilevel marketing  
15       activity shall post security of \$1,000,000.

16       (2) Natural gas suppliers and their affiliated  
17       subsidiaries shall conduct criminal background investigations  
18       of every employee, contractor, subcontractor, third-party  
19       marketer or third-party sales agent engaged in the sale or  
20       promotion of their energy supply service, including a check  
21       of the Megan's Law registry, prior to the individual's  
22       conducting door-to-door marketing or other sales activities.

23       (3) Natural gas suppliers and their affiliated  
24       subsidiaries, employees, contractors, subcontractors, third-  
25       party marketers or third-party sales agents engaged in  
26       multilevel marketing and door-to-door marketing and sales  
27       activities shall file annually with the commission a  
28       certificate of liability. The certificate of liability shall  
29       include a description of sales and marketing activity being  
30       conducted and an acceptance of civil liability for actions of

their employees, subcontractors, agents and representatives  
while engaged in sales and marketing activity.

§ 2809. Requirements for electric generation suppliers.

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(g) Prohibitions.--The following shall apply:

(1) Electric generation suppliers are prohibited from  
charging, levying and imposing on their affiliated  
subsidiaries, employees, contractors, subcontractors, third-  
party marketers or third-party sales agents a cost, expense  
or fee for the purpose of engaging in direct or indirect  
marketing activity on behalf of the electric generation  
suppliers for the purpose of soliciting customers for natural  
gas supply.

(2) Electric generation suppliers are prohibited from  
charging, levying and imposing on their affiliated  
subsidiaries, employees, contractors, subcontractors, third-  
party marketers or third-party sales agents a cost, expense  
or fee for the purchase of marketing materials,  
distributorships, binders of sales and training materials and  
the creation of a marketing Internet website.

(3) Electric generation suppliers shall not compensate  
distributors, employees, contractors, subcontractors, agents  
or third parties to recruit other distributors, employees,  
contractors, subcontractors, agents or third parties.

(h) Customer protections.--The following shall apply:

(1) Electric generation suppliers and their affiliated  
subsidiaries engaged in door-to-door or multilevel marketing  
activity shall post security of \$1,000,000.

(2) Electric generation suppliers and their affiliated  
subsidiaries shall conduct criminal background investigations

1 of every employee, contractor, subcontractor, third-party  
2 marketer or third-party sales agent engaged in the sale or  
3 promotion of their energy supply service, including a check  
4 of the Megan's Law registry, prior to the individual's  
5 conducting door-to-door marketing or other sales activities.

6 (3) Electric generation suppliers and their affiliated  
7 subsidiaries, employees, contractors, subcontractors, third-  
8 party marketers or third-party sales agents engaged in  
9 multilevel marketing and door-to-door marketing and sales  
10 activities shall file annually with the commission a  
11 certificate of liability. The certificate of liability shall  
12 include a description of sales and marketing activity being  
13 conducted and an acceptance of civil liability for actions of  
14 their employees, subcontractors, agents and representatives  
15 while engaged in sales and marketing activity.

16 Section 2. This act shall take effect in 60 days.