



NEW YORK STATE SENATOR

Carl L. Marcellino

MARCELLINO PASSES 2nd BILL TO HELP AMERICAN WATER CUSTOMERS

CARL L. MARCELLINO June 6, 2018



Senator Carl L. Marcellino (R, Syosset) announced today that he has passed, Senate Bill 6863-A, which has two critical components affecting New York American Water (NYAW) customers. First, it will require a feasibility study of the Jericho Water District supplying water to current customers of New York American Water Services. Second, it allows New York American Water Customers to take a credit against their state tax equal to the amount of their bill increase due to property taxes paid by NYAW.

This is the second of a package of bills Senator Marcellino sponsored to address the dramatically high water bill spikes that have affected customers of New York American Water on Long Island. Senate Bill 6862-A, which requires the Public Service Commission (PSC) to conduct an independent audit of private water utility companies prior to and after rate changes are approved by the PSC, passed the Senate unanimously on May 7, 2018.

“New York American Water and the PSC have ballooned water bills for over 100,000 Long Island customers. The public outcry has been loud and justified. Something has to be done to reduce this burden on consumers. This bill is the next step to righting a problem that should never have existed. Residents can’t choose their water provider and should not be punished because their home falls under the control of New York American Water,” said Senator Marcellino.

The legislation allows a taxpayer serviced by NYAW in the towns of Hempstead and Oyster Bay to take a credit against their tax equal to the amount of such taxpayer's annual water bill ascribable to an increase in property taxes paid by their private water utility. The Commissioner of the New York State Tax Department is required to determine the procedure for certification for such credit.

The bill also requires the PSC to conduct a feasibility study of the practicality of the Jericho Water District supplying water to customers of New York American Water Services.

In May 2017, the PSC granted New York American Water a rate increase for the next four consecutive years. These increases range from 1 percent to as high as 9.6 percent. New York American Water is a private company that services 120,000 households and businesses in Nassau County. Unlike public water utilities in New York State, American Water pays property taxes and passes that expense to their customers in their water bills.

“In the absence of accountability by New York American Water, it is critical we protect ratepayers and fix a problem that has gotten out of control. The Assembly must pass these bills before adjourning or they will be as culpable as NYAW and the PSC,” concluded Senator Marcellino

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