

CHAPTER 317
(CORRECTED COPY)

AN ACT concerning certain utility service protections and supplementing Title 40A of the New Jersey Statutes and Title 48 of the Revised Statutes.

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

1. As used in sections 1 and 2 of P.L.2021, c.317:

“Local authority” means an authority, as defined in section 3 of P.L.1983, c.313 (C.40A:5A-3), or a water district established pursuant to R.S.40:62-96 et seq., that provides electric, sewer, or water service.

“Municipal utility” means a municipal public utility, as defined in N.J.S.40A:1-1, that provides electric, sewer, or water service.

“Public utility” means a public utility, as defined pursuant to R.S.48:2-13, that provides electric, gas, sewer, or water service.

“Residential customer” means a residential customer of record of a local authority, municipal utility, or a public utility or any residential tenant of a residence where the owner or any agent or other representative of the owner of the residence is a non-residential customer of record of a local authority, municipal utility, or public utility.

2. a. The provisions of Executive Order No. 246 of 2021 concerning a grace period for residential customers of certain utilities, including paragraphs two through four, nine through 14, 16 through 18, and 21, shall remain in effect for any local authority, municipal utility, and public utility that provides sewer or water service, and any municipal utility or rural electric cooperative that provides electric service, through March 15, 2022. Any residential customer sewer or water service discontinuance, and any discontinuance of electric service to a residential customer of a municipal utility or rural electric cooperative occurring between the end of the grace period established pursuant to Executive Order No. 246 of 2021 and the effective date of P.L.2021, c.317 (C.40A:5A-28 et al.) shall be nullified and service shall be restored immediately. Notwithstanding any other provisions of law, a local authority or municipal utility shall not place, sell, or enforce a lien on real property for the unpaid balance of any electric or water charges, or for the unpaid balance of any sewer charges not sold at tax sale as of January 1, 2022 until after the expiration of the extended grace period pursuant to this section. The extended grace period provided for in this section shall expire on March 15, 2022.

b. Notwithstanding any other provisions of law, prior to discontinuing service to a residential customer, or placing, selling, or enforcing a lien on real property owned by a residential customer for the unpaid balance of any water charges accrued between the declaration of a public health emergency in Executive Order No. 103 of 2020 and March 15, 2022, a local authority, municipal utility, or public utility shall offer the residential customer a utility service bill payment plan for the unpaid balance of any water charges accrued prior to March 15, 2022. The utility service bill payment plan shall have a minimum 12-month duration unless the residential customer requests a shorter payback period, and shall not require payment of a down payment, deposit, reconnection costs, interest, or penalties. The local authority, municipal utility, or public utility may offer residential customers a combined payment and payment forgiveness plan with a duration of less than 12 months that involves forgiveness of at least 50 percent of the outstanding principal upon the consent of the residential customer. If a residential customer does not agree to a utility service bill payment plan pursuant to this subsection within 30 days of being offered the plan by the local authority,

municipal utility, or public utility, the local authority, municipal utility, or public utility may take appropriate enforcement action after March 15, 2022, including discontinuing service or placing, selling, or enforcing a lien, to the extent otherwise permitted by law.

c. Notwithstanding any other provisions of law, prior to discontinuing service to a residential customer, or placing, selling, or enforcing a lien on real property owned by a residential customer, for the unpaid balance of any electric charges accrued between the declaration of a public health emergency in Executive Order No. 103 of 2020 and March 15, 2022, a municipal electric utility or rural electric cooperative shall offer the residential customer a utility service bill payment plan for the unpaid balance of any electric charges accrued prior to March 15, 2022. The utility service bill payment plan shall have a minimum 12-month duration unless the residential customer requests a shorter payback period, and shall not require payment of a down payment, deposit, reconnection costs, interest, or penalties. The municipal electric utility or rural electric cooperative may offer residential customers a combined payment and payment forgiveness plan with a duration of less than 12 months that involves forgiveness of at least 50 percent of the outstanding principal upon the consent of the residential customer. If a residential customer does not agree to a utility service bill payment plan pursuant to this subsection within 30 days of being offered the plan by the municipal electric utility or rural electric cooperative, the municipal electric utility or rural electric cooperative may take appropriate enforcement action after March 15, 2022, including discontinuing service or placing, selling, or enforcing a lien, to the extent otherwise permitted by law.

d. Notwithstanding any other provisions of law, prior to discontinuing service to a residential customer for the unpaid balance of any electric or gas charges accrued between the declaration of a public health emergency in Executive Order No. 103 of 2020 and the expiration date of Executive Order No. 246 of 2021, or in the case of a customer participating in the Winter Termination Program set forth in N.J.A.C.14:3-3A.5, any electric or gas charges accrued between the declaration of a public health emergency in Executive Order No. 103 of 2020 and March 15, 2022, a public utility shall offer the residential customer a utility service bill payment plan for the unpaid balance of any electric or gas charges accrued prior to the expiration date of Executive Order No. 246 of 2021 or, in the case of a customer participating in the Winter Termination Program set forth in N.J.A.C.14:3-3A.5, any electric or gas charges accrued prior to March 15, 2022. The utility service bill payment plan shall have a minimum 12-month duration unless the residential customer requests a shorter payback period, and shall not require payment of a down payment, deposit, reconnection costs, interest, or penalties. The public utility may offer residential customers a combined payment and payment forgiveness plan with a duration of less than 12 months that involves forgiveness of at least 50 percent of the outstanding principal upon the consent of the residential customer. If a residential customer does not agree to a utility service bill payment plan pursuant to this subsection within 30 days of being offered the plan by the public utility, the public utility may take appropriate enforcement action after the expiration of Executive Order 246 of 2021 or for customers participating in the Winter Termination Program set forth in N.J.A.C.14:3-3A.5 after March 15, 2022, including discontinuing service, to the extent otherwise permitted by law.

e. Notwithstanding any other provisions of law, prior to discontinuing service to a residential customer, or placing, selling, or enforcing a lien on real property owned by a residential customer, for the unpaid balance of any sewer charges accrued between the declaration of a public health emergency in Executive Order No. 103 of 2020 and March 15, 2022 that had not been sold at tax sale as of January 1, 2022, a local authority, municipal utility, or public utility shall offer a residential customer a utility service bill payment plan for the unpaid balance of any sewer charges accrued between the declaration of a public health

emergency in Executive Order No. 103 of 2020 and March 15, 2022. The utility service bill payment plan shall have a minimum 12-month duration unless the residential customer requests a shorter payback period, and shall not require a down payment, deposit, reconnection costs, interest, or penalties. The local authority, municipal utility, or public utility may offer residential customers a combined payment and payment forgiveness plan with a duration of less than 12 months that involves forgiveness of at least 50 percent of the outstanding principal upon the consent of the residential customer. If a residential sewer customer does not agree to a utility service bill payment plan within 30 days of being offered a plan by the local authority, municipal utility, or public utility, the local authority, municipal utility, or public utility may take appropriate enforcement action after March 15, 2022, to the extent otherwise permitted by law.

f. Utility service bill payment plans offered by municipal utilities and local authorities pursuant to subsections b., c., and e. of this section shall be subject to the provisions of R.S.54:5-19 pertaining to installment agreements, except as otherwise provided in this section, and that a residential customer shall be offered a utility service bill payment plan for the payment of water, sewer, or electric charges that became delinquent notwithstanding whether a parcel of property is already subject to an installment payment plan pursuant to law.

g. No local authority, municipal utility, or public utility shall collect any interest, fee, or charge from residential customers for late or otherwise untimely payments of water charges that accrued between the declaration of a public health emergency in Executive Order No. 103 of 2020 and March 15, 2022. A local authority, municipality utility, or public utility may charge and collect fees, interest, and penalties for delinquent water charges that accrued prior to the declaration of a public health emergency in Executive Order No. 103 of 2020 and after March 15, 2022, as permitted by law.

h. No municipal electric utility or rural electric cooperative shall collect any interest, fee, or charge from residential customers for late or otherwise untimely payments of electric charges that accrued between the declaration of a public health emergency in Executive Order No. 103 of 2020 and March 15, 2022. A local authority, municipal utility, or public utility may charge and collect fees, interest, and penalties for delinquent electric charges that accrued prior to the declaration of a public health emergency in Executive Order No. 103 of 2020 and after March 15, 2022, as permitted by law.

i. No public utility shall collect any interest, fee, or charge from residential customers for late or otherwise untimely payments of electric or gas charges that accrued between the declaration of a public health emergency in Executive Order No. 103 of 2020 and the expiration date of Executive Order No. 246 of 2021, or in the case of a customer participating in the Winter Termination Program set forth in N.J.A.C.14:3-3A.5, that accrued between the declaration of a public health emergency in Executive Order No. 103 of 2020 and March 15, 2022. A public utility may charge and collect fees, interest, and penalties for delinquent electric or gas charges that accrued prior to the declaration of a public health emergency in Executive Order No. 103 of 2020 and after the expiration date of Executive Order No. 246 of 2021 or March 15, 2022, as applicable, as permitted by law.

j. No local authority, municipal utility, or public utility shall collect any interest, fee, or charge for late or otherwise untimely payments of sewer charges that accrued between January 1, 2022 and March 15, 2022, or that accrued between the declaration of a public health emergency in Executive Order No. 103 of 2020 and December 31, 2021 and had not been sold at tax sale as of January 1, 2022. A local authority, municipality utility, or public utility may charge and collect fees, interest and penalties for delinquent sewer charges that accrued prior to the declaration of a public health emergency in Executive Order No. 103 of 2020 and after March 15, 2022, as permitted by law.

C.40A:5A-28 Definitions relative to public utilities.

3. As used in sections 3 through 5 of P.L.2021, c.317 (C.40A:5A-28 to C.40A:5A-30):

“Board” means the Board of Public Utilities or any successor agency.

“Department” means the Department of Community Affairs.

“Local authority” means an authority, as defined in section 3 of P.L.1983, c.313 (C.40A:5A-3), or a water district established pursuant to R.S.40:62-96 et seq. that provides electric, sewer or water service.

“Municipal utility” means a municipal public utility, as defined in N.J.S.40A:1-1, that provides electric, sewer or water service.

“Program” means the Winter Termination Program established pursuant to section 4 of P.L.2021, c.317 (C.40A:5A-29).

“Residential customer” means a residential customer of record of a local authority, municipal utility, or rural electric cooperative, or any residential tenant of a residence where the owner or any agent or other representative of the owner of the residence is a non-residential customer of record of the local authority, municipal utility, or rural electric cooperative.

“Utility emergency” means any condition constituting a potential danger to life, health, or property requiring a local authority or a municipal utility to discontinue, interrupt, or maintain the discontinuation or interruption of electric, sewer or water service or that results in an unscheduled discontinuance or interruption in electric, sewer or water service.

C.40A:5A-29 Winter Termination Program, established.

4. a. Within 120 days of the effective date of P.L.2021, c.317 (C.40A:5A-28 et al.), the Department of Community Affairs shall establish a Winter Termination Program, which shall prohibit a local authority, municipal utility, or rural electric cooperative from discontinuing service during the period from November 15 through March 15, to a residential customer deemed qualified for program eligibility by the department. The program shall reflect the provisions of the Winter Termination Program for residential electric and gas public utility service, established by the board and published in the New Jersey Administrative Code, as appropriate for residential electric, sewer and water service. The program shall include:

b. In addition to categorical eligibility for customers receiving assistance under programs specified in the eligibility criteria in the board’s Winter Termination Program for residential electric and gas service:

(1) categorical eligibility for any customer receiving assistance under the Low Income Household Water Assistance Program established pursuant to the Consolidated Appropriations Act of 2021, Pub.L.116-260, or any other State or local program that provides assistance specifically to help eligible customers pay electric, sewer or water bills;

(2) a process, in a form and manner to be determined by the department, which allows a residential customer to self-certify an inability to pay their local authority or municipal utility bill due to circumstances beyond the customer’s control, provided that the circumstances shall include, but not be limited to, unemployment, illness, medically related expenses, recent death of an immediate family member, and any other circumstances that might cause financial hardship; and

(3) a requirement that a local authority or municipal utility shall maintain or reconnect electric, sewer, or water service if a residential customer of a local authority, municipal utility, or rural electric cooperative can prove that they have submitted an application for assistance under the Low Income Household Water Assistance Program established pursuant to the Consolidated Appropriations Act of 2021, Pub.L.116–260 or any other State, local, or utility program that provides assistance or discounted rates specifically to help eligible customers pay electric, sewer or water bills, before such application has been approved, denied, or withdrawn,

unless there is a utility emergency. Upon request, the residential customer shall provide the local authority, municipal utility, or rural electric cooperative with an update on the status of the application.

C.40A:5A-30 Rules, regulations.

5. The department, in consultation with the Board of Public Utilities, shall promulgate rules and regulations, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to effectuate the purpose of sections 3 and 4 of P.L.2021, c.317 (C.40A:5A-28 and C.40A:5A-29).

C.48:2-29.54 Definitions relative to public utilities.

6. As used in sections 6 through 8 of P.L.2021, c.317 (C.48:2-29.54 through C.48:2-29.56):

“Board” means the Board of Public Utilities or any successor agency.

“Public utility” means a public utility, as defined pursuant to R.S.48:2-13, that provides electric, gas, sewer, or water service.

“Residential customer” means a residential customer of record of a public utility or any residential tenant of a residence where the owner or any agent or other representative of the owner of the residence is a non-residential customer of record of the public utility.

“Utility emergency” means any condition constituting a potential danger to life, health, or property requiring a sewer or water public utility to discontinue, interrupt, or maintain the discontinuation or interruption of sewer or water service or that results in an unscheduled discontinuance or interruption in sewer or water service.

C.48:2-29.55 Winter Termination Program, inclusions.

7. Within 120 days of the effective date of P.L.2021, c.317 (C.40A:5A-28 et al.), the Board of Public Utilities shall include each sewer and water public utility in the board’s Winter Termination Program as established by the board pursuant to rules and regulations adopted by the board and published in the New Jersey Administrative Code. In addition to the inclusion of sewer and water public utilities, the board shall establish within the Winter Termination Program:

a. categorical eligibility for any customer receiving assistance under the Low Income Household Water Assistance Program established pursuant to the Consolidated Appropriations Act of 2021, Pub.L.116-260 or any other State, local, or utility program that provides assistance specifically to help eligible customers pay sewer or water bills;

b. a process, in a form and manner to be determined by the board, which allows a residential customer to self-certify an inability to pay their public utility bill due to circumstances beyond the customer’s control, provided that the circumstances shall include, but not be limited to, unemployment, illness, medically related expenses, recent death of an immediate family member, and any other circumstances that might cause financial hardship; and

c. a requirement that a water public utility shall maintain or reconnect water public utility service if the water public utility residential customer can prove they have submitted an application for assistance under the Low Income Household Water Assistance Program established pursuant to the Consolidated Appropriations Act of 2021, Pub.L.116–260 or any other State, local, or utility program that provides assistance or discounted rates specifically to help eligible customers pay sewer or water bills, before such application has been approved, denied, or withdrawn, unless there is a utility emergency. Upon request, the residential customer shall provide the public utility with an update on the status of the application.

C.48:2-29.56 Rules, regulations.

8. The board shall promulgate rules and regulations, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to effectuate the purpose of sections 6 and 7 of P.L.2021, c.317 (C.48:2-29.54 and C.48:2-29.55).

9. This act shall take effect immediately.

Approved December 21, 2021.