

[First Reprint]

SENATE, No. 4081

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED NOVEMBER 15, 2021

Sponsored by:

Senator NILSA I. CRUZ-PEREZ

District 5 (Camden and Gloucester)

SYNOPSIS

Prohibits certain sewer and water utility service discontinuances; establishes Winter Sewer and Water Termination Program; requires BPU to include sewer and water public utilities in Winter Termination Program.

CURRENT VERSION OF TEXT

As reported by the Senate Economic Growth Committee on December 9, 2021, with amendments.



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

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. ^{1a.1} The provisions of Executive Order No. 246 of 2021
9 concerning a grace period for residential customers of certain
10 utilities, including paragraphs two through four, nine through 14, 16
11 through 18, and 21, shall remain in effect for any local authority,
12 municipal utility, and public utility that provides sewer or water
13 service through March 15, 2022. Any residential customer sewer or
14 water service discontinuance occurring between the end of the grace
15 period established pursuant to Executive Order No. 246 of 2021 and
16 the effective date of P.L. , c. (C.) (pending before the
17 Legislature as this bill) shall be nullified and service shall be
18 restored immediately. Notwithstanding any other provisions of law,
19 a local authority or municipal utility shall not place, sell, or enforce
20 a lien on real property for the unpaid balance of any water or sewer
21 charges until after the expiration of the extended grace period
22 pursuant to this section. The extended grace period provided for in
23 this section shall expire on March 15, 2022.

24 ^{1b.} Notwithstanding any other provisions of law, prior to
25 discontinuing service to a residential customer, or placing, selling, or
26 enforcing a lien on real property owned by a residential customer, for
27 the unpaid balance of any electric, gas, or water charges accrued
28 between the declaration of a public health emergency in Executive
29 Order No. 103 of 2020 and the expiration date of the extended grace
30 period established in subsection a. of this section, a local authority,
31 municipal utility, or public utility shall offer to residential customers
32 utility service bill payment plans for the unpaid balance of any water
33 or electric charges accrued between the declaration of a public health
34 emergency in Executive Order No. 103 of 2020 and the expiration date
35 of the extended grace period established in subsection a. of this
36 section. The utility service bill payment plan shall have a minimum
37 12-month duration unless the residential customer requests a shorter
38 payback period, and shall not require payment of a down payment,
39 deposit, reconnection costs, interest, or penalties. The local authority,
40 municipal utility, or public utility may offer residential customers a
41 combined payment and payment forgiveness plan with a duration of
42 less than 12 months that involves forgiveness of at least 50 percent of
43 the outstanding principal upon the consent of the residential customer.
44 If a residential customer does not agree to a utility service bill payment
45 plan within 30 days of being offered a plan by the local authority,
46 municipal utility, or public utility, the residential customer shall be

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SEG committee amendments adopted December 9, 2021.

1 deemed to have waived the right to enter into a utility service bill
2 payment plan and the local authority, municipal utility, or public utility
3 may take appropriate enforcement action after the expiration date of
4 the extended grace period pursuant to this section.

5 c. Notwithstanding any other provisions of law, prior to
6 discontinuing service to a residential customer, or placing, selling, or
7 enforcing a lien on real property owned by a residential customer, for
8 the unpaid balance of any sewer charges accrued between January 1,
9 2022 and the expiration date of the extended grace period established
10 in subsection a. of this section, a local authority, municipal utility, or
11 public utility shall offer to residential customers utility service bill
12 payment plans for the unpaid balance of any sewer charges accrued
13 between January 1, 2022 and the expiration date of the extended grace
14 period established in subsection a. of this Section. Any unpaid sewer
15 charges accrued between the declaration of a public health emergency
16 in Executive Order 103 No. of 2020 and December 31, 2021 that had
17 not been sold at tax sale as of January 1, 2022 shall also be included in
18 a utility service bill payment plan pursuant to this subsection. The
19 utility service bill payment plan shall have a minimum 12-month
20 duration unless the residential customer requests a shorter payback
21 period, and shall not require a down payment, deposit, reconnection
22 costs, interest, or penalties. The local authority, municipal utility, or
23 public utility may offer residential customers a combined payment and
24 payment forgiveness plan with a duration of less than 12 months that
25 involves forgiveness of at least 50 percent of the outstanding principal
26 upon the consent of the residential customer. If a residential customer
27 does not agree to a utility service bill payment plan within 30 days of
28 being offered a plan by the local authority, municipal utility, the
29 residential customer shall be deemed to have waived the right to enter
30 into a utility service bill payment plan and the local authority,
31 municipal utility, or public utility may take appropriate enforcement
32 action after the expiration date of the extended grace period pursuant
33 to this section.

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

42 e. No local authority, municipal utility, or public utility shall
43 collect any interest, fee, or charge for late or otherwise untimely
44 payments of electric, gas, or water charges that accrued between the
45 declaration of a public health emergency in Executive Order No. 103
46 of 2020 and the expiration date of the extended grace period. A local

1 authority, municipality utility, or public utility may charge and collect
2 fees, interest, and penalties for delinquent water, electric, or gas
3 charges that accrued prior to the declaration of a public health
4 emergency in Executive Order No. 103 of 2020 and after the
5 expiration date of the extended grace period established in subsection
6 a., as permitted by law.

7 f. No local authority, municipal utility, or public utility shall
8 collect any interest, fee, or charge for late or otherwise untimely
9 payments of sewer charges that accrued between January 1, 2022 and
10 the expiration date of the extended grace period, or that accrued
11 between the declaration of a public health emergency in Executive
12 Order No. 103 of 2020 and December 31, 2021 and had not been sold
13 at tax sale as of January 1, 2022. A local authority, municipality
14 utility, or public utility may charge and collect fees, interest, and
15 penalties for delinquent sewer charges that accrued prior to the
16 declaration of a public health emergency in Executive Order No. 103
17 of 2020 and after the expiration date of the extended grace period
18 established in subsection a. of this section, as permitted by law.¹

19
20 2. As used in sections 2 through 4 of P.L. , c. (C.)
21 (pending before the Legislature as this bill):

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

24 “Department” means the Department of Community Affairs.

25 “Local authority” means an authority, as defined in section 3 of
26 P.L.1983, c.313 (C.40A:5A-3), that provides sewer or water
27 service.

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

30 “Program” means the Winter Sewer and Water Termination
31 Program established pursuant to section ¹**[2]** ¹3 of
32 P.L. , c. (C.) (pending before the Legislature as this bill).

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

37 “Utility emergency” means any condition constituting a potential
38 danger to life, health, or property requiring a local authority or a
39 municipal utility to ¹**[immediately]** ¹discontinue ¹**[or]** ¹interrupt
40 ¹, or maintain the discontinuation or interruption of ¹sewer or water
41 service or that results in an unscheduled discontinuance or
42 interruption in sewer or water service.

43
44 3. a. Within ¹**[60]** ¹120 days of the effective date of
45 P.L. , c. (C.) (pending before the Legislature as this bill),
46 the Department of Community Affairs shall establish a Winter

1 Sewer and Water Termination Program, which shall prohibit a local
2 authority or municipal utility from discontinuing service during the
3 period from November 15 through March 15, to a residential
4 customer deemed qualified for program eligibility by the
5 department. The program shall reflect the provisions of the Winter
6 Termination Program for residential electric and gas public utility
7 service, established by the board and published in the New Jersey
8 Administrative Code, as appropriate for sewer and water service.
9 The program shall include:

10 b. in addition to categorical eligibility for customers receiving
11 assistance under programs specified in the eligibility criteria in the
12 board's Winter Termination Program for residential electric and gas
13 service:

14 (1) categorical eligibility for any customer receiving assistance
15 under the Low Income Household Water Assistance Program
16 established pursuant to the Consolidated Appropriations Act of
17 2021, Pub.L. 116-260, or any other State or local program that
18 provides assistance specifically to help eligible customers pay
19 sewer or water bills;

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

28 (3) a requirement that a local authority or municipal utility shall
29 maintain or reconnect water service if a residential customer can
30 demonstrate, in a manner determined by the department, that the
31 customer has met the requirements provided in paragraph (1) of this
32 subsection or the Low Income Household Water Assistance
33 Program established pursuant to the Consolidated Appropriations
34 Act of 2021, Pub.L. 116-260 or any other State, local, or utility
35 program that provides assistance or discounted rates specifically to
36 help eligible customers pay sewer or water bills ¹, unless there is a
37 utility emergency¹.

38
39 4. The department, in consultation with the Board of Public
40 Utilities, shall promulgate rules and regulations, pursuant to the
41 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
42 seq.), to effectuate the purpose of sections 2 and 3 of
43 P.L. , c. (C.) (pending before the Legislature as this bill).
44

45 5. As used in sections 5 through 7 of P.L. , c. (C.)
46 (pending before the Legislature as this bill):

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

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

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

9 “Utility emergency” means any condition constituting a potential
10 danger to life, health, or property requiring a sewer or water public
11 utility to ¹immediately¹ discontinue ¹or¹ interrupt ¹, or
12 maintain the discontinuation or interruption of¹ sewer or water
13 service or that results in an unscheduled discontinuance or
14 interruption in sewer or water service.

15
16 6. Within ¹60¹ 120¹ days of the effective date of P.L. , c.
17 (C.) (pending before the Legislature as this bill), the Board of
18 Public Utilities shall include each sewer and water public utility in
19 the board’s Winter Termination Program as established by the
20 board pursuant to rules and regulations adopted by the board and
21 published in the New Jersey Administrative Code. In addition to the
22 inclusion of sewer and water public utilities, the board shall
23 establish within the Winter Termination Program:

24 a. categorical eligibility for any customer receiving assistance
25 under the Low Income Household Water Assistance Program
26 established pursuant to the Consolidated Appropriations Act of
27 2021, Pub.L. 116–260 or any other State, local, or utility program
28 that provides assistance specifically to help eligible customers pay
29 sewer or water bills;

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

37 c. a requirement that a water public utility shall maintain or
38 reconnect ¹without charge¹ water public utility service if a
39 residential customer can demonstrate, in a manner determined by
40 the board, that the customer has met the requirements provided in
41 subsection a. of this section or the Low Income Household Water
42 Assistance Program established pursuant to the Consolidated
43 Appropriations Act of 2021, Pub.L. 116–260 or any other State,
44 local, or utility program that provides assistance or discounted rates
45 specifically to help eligible customers pay sewer or water bills ¹,
46 unless there is a utility emergency¹.

S4081 [1R] CRUZ-PEREZ

7

1 7. The board shall promulgate rules and regulations, pursuant
2 to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-
3 1 et seq.), to effectuate the purpose of sections 5 and 6 of
4 P.L. , c. (C.) (pending before the Legislature as this bill).

5

6 8. This act shall take effect immediately.