

[First Reprint]

ASSEMBLY, No. 5020

STATE OF NEW JERSEY

220th LEGISLATURE

INTRODUCED JANUARY 10, 2023

Sponsored by:

Assemblyman WILLIAM F. MOEN, JR.

District 5 (Camden and Gloucester)

Assemblyman HERB CONAWAY, JR.

District 7 (Burlington)

Assemblywoman ANNETTE QUIJANO

District 20 (Union)

Co-Sponsored by:

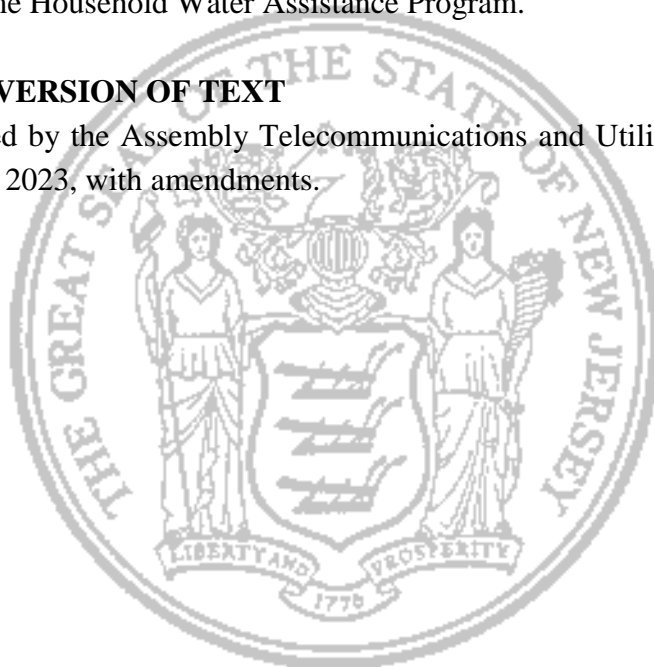
Assemblywomen Eulner, Piperno, Speight, Park and Assemblyman Coughlin

SYNOPSIS

Prohibits water utility from taking certain actions if utility fails to participate in Low Income Household Water Assistance Program.

CURRENT VERSION OF TEXT

As reported by the Assembly Telecommunications and Utilities Committee on March 20, 2023, with amendments.



(Sponsorship Updated As Of: 3/30/2023)

1 AN ACT concerning the Low Income Household Water Assistance
2 Program ¹and supplementing Title 40A of the New Jersey
3 Statutes and Title 48 of the Revised Statutes¹.
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:
7

8 1. a. As used in this section:

9 “Department” means the Department of Community Affairs.

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

13 “Municipal utility” means a municipal public utility, as defined in
14 N.J.S.40A:1-1, ¹a joint meeting or regional service agency, as defined
15 in section 3 of P.L.2007, c.63 (C.40A:65-3), or a water commission
16 appointed pursuant to R.S.40:62-109,¹ that provides water or
17 wastewater service.

18 “Program” means the Low Income Household Water Assistance
19 Program, established pursuant to the “Consolidated Appropriations
20 Act, 2021,” Pub.L.116-260, and administered by the department.

21 ¹“Qualifying customer” means a residential customer who has
22 been approved by the department to participate in the program.¹

23 “Residential customer” means a residential customer of record of a
24 local authority or municipal utility, or any residential tenant of a
25 residence where the owner of the residence, or any agent or other
26 representative thereof, is a customer of record of the local authority or
27 municipal utility.

28 “Vendor contract” means one or more written agreements entered
29 into between a local authority or municipal utility and the department
30 to effectuate the local authority or municipal utility’s participation in
31 the program, which agreement or agreements shall allow ¹otherwise
32 eligible¹ qualifying¹ customers of the local authority or municipal
33 utility to participate in the program.

34 b. ¹Each local authority or municipal utility shall enter into a
35 vendor contract with the department and participate in the program, as
36 required under the vendor contract. Notwithstanding any provision of
37 law or regulation to the contrary, and to the extent permitted under
38 federal law, the vendor contract shall not prohibit a local authority or
39 municipal utility from undertaking any of the following actions after
40 September 30, 2023:

41 (1) assessing interest on the unpaid balance of the water or
42 wastewater service charges of any qualifying customer, except as
43 otherwise provided in paragraph (3) of subsection g. of this section;

44 (2) discontinuing the water or wastewater service of any qualifying
45 customer for non-payment, except in the case of a qualifying customer

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:

¹Assembly ATU committee amendments adopted March 20, 2023.

1 who is enrolled in a deferred payment agreement with the local
2 authority or municipal utility and complies with all requirements of the
3 agreement; or

4 (3) placing, selling, or enforcing a lien on real property for the
5 unpaid balance of the water or wastewater service charges of any
6 qualifying customer.

7 c.¹ (1) ¹**While the program remains in operation** Before
8 October 1, 2023¹, if a local authority or municipal utility fails to enter
9 into a vendor contract with the department, or otherwise fails to allow
10 ¹**eligible residential** qualifying¹ customers to receive assistance
11 under the program, the local authority or municipal utility shall be
12 prohibited from:

13 (a) discontinuing the water or wastewater service of any residential
14 customer for non-payment; and

15 (b) placing, selling, or enforcing a lien on real property for the
16 unpaid balance of the water or wastewater service charges of any
17 residential customer.

18 (2) ¹**While the program remains in operation** Before October 1,
19 2023¹, each local authority or municipal utility shall advertise, ¹**in a**
20 **form and manner prescribed by the department** pursuant to paragraph
21 (3) of this subsection¹, eligibility for the program:

22 (a) on the bills of every residential customer;

23 (b) on the official Internet website of the local authority or
24 municipality, as applicable; and

25 (c) in any written communication provided by the local authority
26 or municipal utility to a residential customer in connection with an
27 overdue water or wastewater bill.

28 ¹**[c.]** (3) Within 14 calendar days following the effective date of
29 P.L. , c. (pending before the Legislature as this bill), the
30 department shall prescribe the form and manner in which a local
31 authority or municipal utility shall advertise eligibility for the program
32 pursuant to paragraph (2) of this subsection, except that before such
33 time, each local authority and municipal utility shall advertise
34 eligibility for the program in a form and manner determined by the
35 local authority or municipal utility.

36 (4) Notwithstanding any provision to the contrary, this section
37 shall not apply to any municipal lien that was sold to a third party
38 before the effective date of P.L. , c. (pending before the Legislature
39 as this bill) or to the payment of unpaid water or wastewater charges
40 by a third party lienholder.

41 d.¹ (1) Within 10 calendar days following the effective date of
42 P.L. , c. ¹**(C.)**¹ (pending before the Legislature as this bill),
43 the department shall provide written notice to each local authority or
44 municipal utility concerning the provisions of this section. When the
45 department determines that the local authority or municipal utility has
46 failed to enter into a vendor contract with the department, or has
47 otherwise failed to allow ¹**eligible residential** qualifying¹ customers

1 to receive assistance under the program, the notice shall indicate, in a
2 clear and conspicuous manner, that the local authority or municipal
3 utility shall be prohibited from discontinuing the water or wastewater
4 service of any residential customer for non-payment, and from placing,
5 selling, or enforcing a lien on real property for the unpaid balances of
6 any residential customer ¹that are attributable to water or wastewater
7 service¹, ¹before October 1, 2023 or¹ until such time as ¹**the program**
8 **is terminated,**¹ the local authority or municipal utility enters into a
9 vendor contract with the department, or the local authority or
10 municipal utility otherwise allows ¹**eligible residential** qualifying¹
11 customers to receive assistance under the program ¹, whichever occurs
12 earlier¹.

13 (2) ¹**While the program remains in operation** Before October 1,
14 2023¹, a local authority or municipal utility shall ¹**attest to the**
15 department, on a monthly basis, that the local authority or municipal
16 utility is in **document its**¹ compliance with the requirements of
17 paragraph (2) of subsection ¹**b.] c.**¹ of this section, and the
18 department ¹**may** shall¹ require the local authority or municipal
19 utility to submit written documentation to the department attesting to
20 such compliance.

21 (3) Within 10 calendar days ¹**of the termination of the program**
22 after September 30, 2023¹, the department shall provide written notice
23 to each local authority or municipal utility indicating that the
24 provisions of subsection ¹**b.] c.**¹ of this section no longer apply.

25 ¹**d.] e.**¹ (1) A local authority or municipal utility that violates
26 the provisions of subsection ¹**b.] c.**¹ of this section shall be subject to
27 a penalty of \$500 for each calendar day in which water or wastewater
28 service is discontinued for a residential customer and a fine of \$100 for
29 each instance in which the local authority or municipal utility fails to
30 advertise eligibility for the program ¹pursuant to paragraphs (2) and
31 (3) of subsection c. of this section¹, including each residential
32 customer bill that ¹**that**¹ fails to include this information. Any
33 penalty imposed under this section shall be collected, with costs, in a
34 civil action by a summary proceeding under the “Penalty Enforcement
35 Law of 1999,” P.L.1999, c.274 (C.2A:58-10 et seq.). The Superior
36 Court and the municipal court shall have jurisdiction over such
37 proceedings.

38 (2) If a local authority or municipal utility discontinues the water
39 or wastewater service of a residential customer for non-payment, in
40 violation of the provisions of subsection ¹**b.] c.**¹ of this section, the
41 discontinuance shall be nullified and service shall be restored
42 immediately.

43 (3) If a local authority or municipal utility places, sells, or enforces
44 a lien on the real property of a residential customer ¹for the unpaid
45 balance of water or wastewater service charges¹, in violation of the

1 provisions of subsection ¹**[b.] c.**¹ of this section, the lien shall be
2 deemed null and void.

3 ¹**[e.] f.**¹ Within 14 calendar days following the effective date of
4 P.L. , c. ¹**[(C.)]**¹ (pending before the Legislature as this bill),
5 the department shall provide written, plain language instructions,
6 including, but not limited to, a response to frequently asked questions,
7 to each local authority and municipal utility concerning the duties and
8 responsibilities of the local authority or municipal utility under the
9 vendor contract, any other duties and responsibilities of a local
10 authority or municipal utility that enters into a vendor contract, as well
11 as any other information that the department may deem appropriate.
12 ¹The instructions shall also include direct contact information for one
13 or more employees of the department who are responsible for
14 administering the program, which persons may assist the local
15 authority or municipal utility in the implementation of the program.¹

16 ¹**[f.] g. (1)**¹ Within 14 calendar days following the effective date
17 of P.L. , c. ¹**[(C.)]**¹ (pending before the Legislature as this
18 bill), and every 14 calendar days thereafter until the termination of the
19 program, the department shall provide written notice to each local
20 authority or municipal utility, which notice shall indicate:

21 ¹**[(1)] (a)**¹ the name, address, and utility account number of each
22 residential customer of the local authority or municipal utility that has
23 submitted an application to the department for the program;

24 ¹**[(2)] (b)**¹ the name, address, and utility account number of each
25 residential customer of the local authority or municipal utility that has
26 been approved or denied by the department to participate in the
27 program; and

28 ¹**[(3)] (c)**¹ any other information that the department deems
29 appropriate.

30 ¹(2) After a local authority or municipal utility receives written
31 notice from the department, pursuant to paragraph (1) of this
32 subsection, that a qualifying customer has been approved to participate
33 in the program, the local authority or municipal utility shall
34 immediately suspend, until October 1, 2023, any enforcement action
35 undertaken against the qualifying customer resulting from the non-
36 payment of water or wastewater charges.

37 (3) Notwithstanding any provision of paragraph (1) of subsection
38 b. of this section to the contrary, if a local authority or municipal
39 utility receives written notice from the department after September 30,
40 2023 that a qualifying customer has been approved to participate in the
41 program, the local authority or municipal utility shall waive any
42 interest assessed on the customer for the unpaid balance of water or
43 wastewater charges during the period after September 30, 2023 and
44 before the date of receipt of the notice, unless the unpaid balance of
45 the customer has been paid by a third-party lienholder or sold at a tax
46 sale.

h. Within 14 calendar days following the effective date of P.L. ,
 c. (pending before the Legislature as this bill), and every 14 calendar
days thereafter until October 1, 2023, each local authority and
municipal utility shall provide written notice to the department, which
notice shall indicate the name, address, utility account number, and
current unpaid balances owed for each residential customer of the local
authority or municipal utility who is in arrears. The department shall
use the written notice to encourage otherwise eligible customers to
participate in the program. The written notice shall be considered
confidential and shall not be available for public disclosure.¹

2. a. As used in this section:

“Board” means the Board of Public Utilities.

“Department” means the Department of Community Affairs.

“Program” means the Low Income Household Water Assistance Program, established pursuant to the “Consolidated Appropriations Act, 2021,” Pub.L.116-260, and administered by the department.

¹“Qualifying customer” means a residential customer who has been approved by the department to participate in the program.¹

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

“Vendor contract” means one or more written agreements entered into between a water public utility and the department to effectuate the water public utility’s participation in the program, which agreement or agreements shall allow ¹[otherwise eligible] qualifying¹ customers of the water public utility to participate in the program.

“Water public utility” means a public utility, as defined in R.S.48:2-13, that provides water or wastewater service.

b. Each water public utility shall enter into a vendor contract with the department and participate in the program, as required under the vendor contract. Notwithstanding any provision of law or regulation to the contrary, and to the extent permitted under federal law, the vendor contract shall not prohibit a water public utility from undertaking any of the following actions after September 30, 2023:

(1) assessing interest on the unpaid balance of the water or wastewater service charges of any qualifying customer, except as otherwise provided in paragraph (3) of subsection g. of this section; or

(2) discontinuing the water or wastewater service of any qualifying customer for non-payment, except in the case of a qualifying customer who is enrolled in a deferred payment agreement with the water public utility and complies with all requirements of the agreement.

c.¹ (1) ¹[While the program remains in operation] Before October 1, 2023¹, if a water public utility fails to enter into a vendor contract with the department, or otherwise fails to allow ¹[eligible residential] qualifying¹ customers to receive assistance under the program, the

1 water public utility shall be prohibited from discontinuing the water or
2 wastewater service of any residential customer for non-payment.

3 (2) In addition to any information contained in the Customer Bill
4 of Rights approved by the board, ¹["while the program remains in
5 operation"] before October 1, 2023¹, each water public utility shall
6 advertise, ¹["in a form and manner prescribed by the department"]
7 pursuant to paragraph (3) of this subsection¹, eligibility for the
8 program:

9 (a) on the bills of every residential customer;

10 (b) on the official Internet website of the water public utility; and

11 (c) in any written communication provided by the water public
12 utility to a residential customer in connection with an overdue water or
13 wastewater bill.

14 ¹["c."] (3) Within 14 calendar days following the effective date of
15 P.L. , c. (pending before the Legislature as this bill), the
16 department shall prescribe the form and manner in which a water
17 public utility shall advertise eligibility for the program pursuant to
18 paragraph (2) of this subsection, except that before such time, each
19 water public utility shall advertise eligibility for the program in a form
20 and manner determined by the water public utility.

21 d.¹ (1) Within 10 calendar days following the effective date of
22 P.L. , c. ¹["(C.)"]¹ (pending before the Legislature as this bill),
23 the board shall provide written notice to each water public utility
24 concerning the provisions of this section.

25 (2) When the department determines that the water public utility
26 has failed to enter into a vendor contract with the department, or has
27 otherwise failed to allow ¹["eligible residential"] qualifying¹ customers
28 to receive assistance under the program, the department shall provide
29 written notice to the water public utility. The notice shall indicate, in a
30 clear and conspicuous manner, that the water public utility shall be
31 prohibited from discontinuing the water or wastewater service of any
32 residential customer for non-payment ¹before October 1, 2023 or¹ until
33 such time as ¹["the program is terminated,"]¹ the water public utility
34 enters into a vendor contract with the department, or the water public
35 utility otherwise allows ¹["eligible residential"] qualifying¹ customers
36 to receive assistance under the program ¹, whichever occurs earlier¹.
37 Upon providing the notice to the water public utility, the department
38 shall also provide a copy of the notice, including an identification of
39 the water public utility, to the board.

40 (3) ¹["While the program remains in operation"] Before October 1,
41 2023¹, a water public utility shall ¹["attest to the board, on a monthly
42 basis, that the water public utility is in"] document its¹ compliance with
43 the requirements of paragraph (2) of subsection ¹["b."] c.¹ of this
44 section, and the board ¹["may"] shall¹ require the water public utility to
45 submit written documentation to the board attesting to such
46 compliance.

1 (4) Within 10 calendar days ¹**[of the termination of the program]**
 2 after September 30, 2023¹, the board shall provide written notice to
 3 each water public utility indicating that the provisions of subsection
 4 ¹**[b.] c.**¹ of this section no longer apply.

5 ¹**[d.] e.**¹ (1) A water public utility that violates the provisions of
 6 subsection ¹**[b.] c.**¹ of this section shall be subject to a penalty of \$500
 7 for each calendar day in which water or wastewater service is
 8 discontinued for a residential customer and a fine of \$100 for each
 9 instance in which the water public utility fails to advertise eligibility
 10 for the program ¹pursuant to subsection c. of this section¹, including
 11 each residential customer bill that fails to include this information.
 12 Any penalty imposed under this section shall be collected, with costs,
 13 in a civil action by a summary proceeding under the “Penalty
 14 Enforcement Law of 1999,” P.L.1999, c.274 (C.2A:58-10 et seq.).
 15 The Superior Court and the municipal court shall have jurisdiction
 16 over such proceedings.

17 (2) If a water public utility discontinues the water or wastewater
 18 service of a residential customer for non-payment, in violation of the
 19 provisions of subsection ¹**[b.] c.**¹ of this section, the discontinuance
 20 shall be nullified and service shall be restored immediately.

21 ¹**[e.] f.**¹ Within 14 calendar days following the effective date of
 22 P.L. , c. ¹**[(C.)]**¹ (pending before the Legislature as this bill),
 23 the department shall provide written, plain language instructions,
 24 including, but not limited to, a response to frequently asked questions,
 25 to each water public utility concerning the duties and responsibilities
 26 of the water public utility under the vendor contract, any other duties
 27 and responsibilities of a water public utility that enters into a vendor
 28 contract, as well as any other information that the department may
 29 deem appropriate. ¹The instructions shall also include direct contact
 30 information for one or more employees of the department who are
 31 responsible for administering the program, which persons may assist
 32 the water public utility in the implementation of the program.¹

33 ¹**[f.] g. (1)**¹ Within 14 calendar days following the effective
 34 date of P.L. , c. ¹**[(C.)]**¹ (pending before the Legislature as
 35 this bill), and every 14 calendar days thereafter until the termination of
 36 the program, the department shall provide written notice to each water
 37 public utility, which notice shall indicate:

38 ¹**[(1)] (a)**¹ the name, address, and utility account number of each
 39 residential customer of the water public utility that has submitted an
 40 application to the department for the program;

41 ¹**[(2)] (b)**¹ the name, address, and utility account number of each
 42 residential customer of the water public utility that has been approved
 43 or denied by the department to participate in the program; and

44 ¹**[(3)] (c)**¹ any other information that the department deems
 45 appropriate.

1 ¹(2) After a water public utility receives written notice from the
2 department, pursuant to paragraph (1) of this subsection, that a
3 qualifying customer has been approved to participate in the program,
4 the water public utility shall immediately suspend, until October 1,
5 2023, any enforcement action undertaken against the qualifying
6 customer resulting from the non-payment of water or wastewater
7 charges.

8 (3) Notwithstanding any provision of paragraph (1) of subsection
9 b. of this section to the contrary, if a water public utility receives
10 written notice from the department after September 30, 2023 that a
11 qualifying customer has been approved to participate in the program,
12 the water public utility shall waive any interest assessed on the
13 customer for the unpaid balance of water or wastewater charges during
14 the period after September 30, 2023 and before the date of receipt of
15 the notice.

16 h. Within 14 calendar days following the effective date of P.L. ,
17 c. (pending before the Legislature as this bill), and every 14
18 calendar days thereafter until October 1, 2023, each water public
19 utility shall provide written notice to the department, which notice
20 shall indicate the name, address, utility account number, and current
21 unpaid balances owed for each residential customer of the water public
22 utility who is in arrears. The department shall use the written notice to
23 encourage otherwise eligible customers to participate in the program.
24 The written notice shall be considered confidential and shall not be
25 available for public disclosure.¹
26

27 ¹3. a. Within 30 calendar days following the effective date of
28 P.L. , c. (pending before the Legislature as this bill), and every 45
29 calendar days thereafter until October 1, 2023, the department shall
30 submit a written report concerning the operations of the program to the
31 Legislature, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1).

32 b. In addition to any other information that the department deems
33 appropriate, the report shall indicate:

34 (1) the number of persons who applied for the program;

35 (2) the number of persons who have been approved and denied for
36 the program, respectively;

37 (3) the number of local authorities, municipal utilities, and water
38 public utilities that have entered into the vendor contract, including the
39 names of any such local authority, municipal utility, or water public
40 utility; and

41 (4) the amount of funding that has been expended on the program,
42 including administrative expenses and program assistance payments,
43 respectively.¹
44

45 ¹[3.] ¹4. a. Notwithstanding any provisions of the
46 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.)
47 to the contrary, the Department of Community Affairs, in consultation
48 with the Board of Public Utilities, shall adopt, immediately upon filing

1 with the Office of Administrative Law and no later than the 90th day
2 after the effective date of this act, such rules and regulations as the
3 department deems necessary to implement the provisions of this act,
4 which regulations shall be effective for a period not to exceed 12
5 months. ¹【The regulations may thereafter be amended, adopted, or
6 readopted by the department in accordance with the provisions of the
7 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et
8 seq.).】¹

9 b. Notwithstanding any provisions of the “Administrative
10 Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.) to the contrary,
11 the Board of Public Utilities, in consultation with the Department of
12 Community Affairs, shall adopt, immediately upon filing with the
13 Office of Administrative Law and no later than the 90th day after the
14 effective date of this act, such rules and regulations as the board deems
15 necessary to implement the provisions of this act, which regulations
16 shall be effective for a period not to exceed 12 months. ¹【The
17 regulations may thereafter be amended, adopted, or readopted by the
18 board in accordance with the provisions of the “Administrative
19 Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.).】¹

20
21 ¹【4.】 5.¹ This act shall take effect immediately.