

## CHAPTER 33

AN ACT concerning the Low Income Household Water Assistance Program.

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

1. a. As used in this section:

“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 water or wastewater service.

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

“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.

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

“Residential customer” means a residential customer of record of a local authority or municipal 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 local authority or municipal utility.

“Vendor contract” means one or more written agreements entered into between a local authority or municipal utility and the department to effectuate the local authority or municipal utility’s participation in the program, which agreement or agreements shall allow qualifying customers of the local authority or municipal utility to participate in the program.

b. Each local authority or municipal 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 local authority or municipal 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;

(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 local authority or municipal utility and complies with all requirements of the agreement; or

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

c. (1) Before October 1, 2023, if a local authority or municipal utility fails to enter into a vendor contract with the department, or otherwise fails to allow qualifying customers to receive assistance under the program, the local authority or municipal utility shall be prohibited from:

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

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

(2) Before October 1, 2023, each local authority or municipal utility shall advertise, pursuant to paragraph (3) of this subsection, eligibility for the program:

(a) on the bills of every residential customer;

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

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

(3) Within 14 calendar days following the effective date of P.L.2023, c.33, the department shall prescribe the form and manner in which a local authority or municipal utility shall advertise eligibility for the program pursuant to paragraph (2) of this subsection, except that before such time, each local authority and municipal utility shall advertise eligibility for the program in a form and manner determined by the local authority or municipal utility.

(4) Notwithstanding any provision to the contrary, this section shall not apply to any municipal lien that was sold to a third party before the effective date of P.L.2023, c.33 or to the payment of unpaid water or wastewater charges by a third party lienholder.

d. (1) Within 10 calendar days following the effective date of P.L.2023, c.33, the department shall provide written notice to each local authority or municipal utility concerning the provisions of this section. When the department determines that the local authority or municipal utility has failed to enter into a vendor contract with the department, or has otherwise failed to allow qualifying customers to receive assistance under the program, the notice shall indicate, in a clear and conspicuous manner, that the local authority or municipal utility shall be prohibited from discontinuing the water or wastewater service of any residential customer for non-payment, and from placing, selling, or enforcing a lien on real property for the unpaid balances of any residential customer that are attributable to water or wastewater service, before October 1, 2023 or until such time as the local authority or municipal utility enters into a vendor contract with the department, or the local authority or municipal utility otherwise allows qualifying customers to receive assistance under the program, whichever occurs earlier.

(2) Before October 1, 2023, a local authority or municipal utility shall document its compliance with the requirements of paragraph (2) of subsection c. of this section, and the department shall require the local authority or municipal utility to submit written documentation to the department attesting to such compliance.

(3) Within 10 calendar days after September 30, 2023, the department shall provide written notice to each local authority or municipal utility indicating that the provisions of subsection c. of this section no longer apply.

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

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

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

charges, in violation of the provisions of subsection c. of this section, the lien shall be deemed null and void.

f. Within 14 calendar days following the effective date of P.L.2023, c.33, the department shall provide written, plain language instructions, including, but not limited to, a response to frequently asked questions, to each local authority and municipal utility concerning the duties and responsibilities of the local authority or municipal utility under the vendor contract, any other duties and responsibilities of a local authority or municipal utility that enters into a vendor contract, as well as any other information that the department may deem appropriate. The instructions shall also include direct contact information for one or more employees of the department who are responsible for administering the program, which persons may assist the local authority or municipal utility in the implementation of the program.

g. (1) Within 14 calendar days following the effective date of P.L.2023, c.33, and every 14 calendar days thereafter until the termination of the program, the department shall provide written notice to each local authority or municipal utility, which notice shall indicate:

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

(b) the name, address, and utility account number of each residential customer of the local authority or municipal utility that has been approved or denied by the department to participate in the program; and

(c) any other information that the department deems appropriate.

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

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

h. Within 14 calendar days following the effective date of P.L.2023, c.33, 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.

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.

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

“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 qualifying 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) Before October 1, 2023, if a water public utility fails to enter into a vendor contract with the department, or otherwise fails to allow qualifying customers to receive assistance under the program, the water public utility shall be prohibited from discontinuing the water or wastewater service of any residential customer for non-payment.

(2) In addition to any information contained in the Customer Bill of Rights approved by the board, before October 1, 2023, each water public utility shall advertise, pursuant to paragraph (3) of this subsection, eligibility for the program:

(a) on the bills of every residential customer;

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

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

(3) Within 14 calendar days following the effective date of P.L.2023, c.33, the department shall prescribe the form and manner in which a water public utility shall advertise eligibility for the program pursuant to paragraph (2) of this subsection, except that before such time, each water public utility shall advertise eligibility for the program in a form and manner determined by the water public utility.

d. (1) Within 10 calendar days following the effective date of P.L.2023, c.33, the board shall provide written notice to each water public utility concerning the provisions of this section.

(2) When the department determines that the water public utility has failed to enter into a vendor contract with the department, or has otherwise failed to allow qualifying customers to receive assistance under the program, the department shall provide written notice to the water public utility. The notice shall indicate, in a clear and conspicuous manner, that the water public utility shall be prohibited from discontinuing the water or wastewater service of any residential customer for non-payment before October 1, 2023 or until such time as the water public utility enters into a vendor contract with the department, or the water public utility

otherwise allows qualifying customers to receive assistance under the program, whichever occurs earlier. Upon providing the notice to the water public utility, the department shall also provide a copy of the notice, including an identification of the water public utility, to the board.

(3) Before October 1, 2023, a water public utility shall document its compliance with the requirements of paragraph (2) of subsection c. of this section, and the board shall require the water public utility to submit written documentation to the board attesting to such compliance.

(4) Within 10 calendar days after September 30, 2023, the board shall provide written notice to each water public utility indicating that the provisions of subsection c. of this section no longer apply.

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

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

f. Within 14 calendar days following the effective date of P.L.2023, c.33, the department shall provide written, plain language instructions, including, but not limited to, a response to frequently asked questions, to each water public utility concerning the duties and responsibilities of the water public utility under the vendor contract, any other duties and responsibilities of a water public utility that enters into a vendor contract, as well as any other information that the department may deem appropriate. The instructions shall also include direct contact information for one or more employees of the department who are responsible for administering the program, which persons may assist the water public utility in the implementation of the program.

g. (1) Within 14 calendar days following the effective date of P.L.2023, c.33, and every 14 calendar days thereafter until the termination of the program, the department shall provide written notice to each water public utility, which notice shall indicate:

(a) the name, address, and utility account number of each residential customer of the water public utility that has submitted an application to the department for the program;

(b) the name, address, and utility account number of each residential customer of the water public utility that has been approved or denied by the department to participate in the program; and

(c) any other information that the department deems appropriate.

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

(3) Notwithstanding any provision of paragraph (1) of subsection b. of this section to the contrary, if a water public utility receives written notice from the department after September 30, 2023 that a qualifying customer has been approved to participate in the program, the water public utility shall waive any interest assessed on the customer for the unpaid balance of water

or wastewater charges during the period after September 30, 2023 and before the date of receipt of the notice.

h. Within 14 calendar days following the effective date of P.L.2023, c.33, and every 14 calendar days thereafter until October 1, 2023, each water public 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 water public 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.

3. a. Within 30 calendar days following the effective date P.L.2023, c.33, and every 45 calendar days thereafter until October 1, 2023, the department shall submit a written report concerning the operations of the program to the Legislature, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1).

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

- (1) the number of persons who applied for the program;
- (2) the number of persons who have been approved and denied for the program, respectively;
- (3) the number of local authorities, municipal utilities, and water public utilities that have entered into the vendor contract, including the names of any such local authority, municipal utility, or water public utility; and
- (4) the amount of funding that has been expended on the program, including administrative expenses and program assistance payments, respectively.

4. a. Notwithstanding any provisions of the “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.) to the contrary, the Department of Community Affairs, in consultation with the Board of Public Utilities, shall adopt, immediately upon filing with the Office of Administrative Law and no later than the 90th day after the effective date of this act, such rules and regulations as the department deems necessary to implement the provisions of this act, which regulations shall be effective for a period not to exceed 12 months.

b. Notwithstanding any provisions of the “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.) to the contrary, the Board of Public Utilities, in consultation with the Department of Community Affairs, shall adopt, immediately upon filing with the Office of Administrative Law and no later than the 90th day after the effective date of this act, such rules and regulations as the board deems necessary to implement the provisions of this act, which regulations shall be effective for a period not to exceed 12 months.

5. This act shall take effect immediately.

Approved April 5, 2023.