

SENATE, No. 3333

STATE OF NEW JERSEY
220th LEGISLATURE

INTRODUCED NOVEMBER 21, 2022

Sponsored by:

Senator NILSA I. CRUZ-PEREZ

District 5 (Camden and Gloucester)

Senator KRISTIN M. CORRADO

District 40 (Bergen, Essex, Morris and Passaic)

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 introduced.



(Sponsorship Updated As Of: 1/26/2023)

1 AN ACT concerning the Low Income Household Water Assistance
2 Program and supplementing Title 40A of the New Jersey Statutes
3 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. 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
12 pursuant to R.S.40:62-96 et seq., that provides water or wastewater
13 service.

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

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

19 “Residential customer” means a residential customer of record of
20 a local authority or municipal utility, or any residential tenant of a
21 residence where the owner of the residence, or any agent or other
22 representative thereof, is a customer of record of the local authority
23 or municipal utility.

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

30 b. (1) While the program remains in operation, if a local
31 authority or municipal utility fails to enter into a vendor contract
32 with the department, or otherwise fails to allow eligible residential
33 customers to receive assistance under the program, the local
34 authority or municipal utility shall be prohibited from:

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

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

40 (2) While the program remains in operation, each local authority
41 or municipal utility shall advertise, in a form and manner prescribed
42 by the department, eligibility for the program:

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

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

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

1 c. (1) Within 10 calendar days following the effective date of
2 P.L. , c. (C.) (pending before the Legislature as this bill),
3 the department shall provide written notice to each local authority
4 or municipal utility concerning the provisions of this section. When
5 the department determines that the local authority or municipal
6 utility has failed to enter into a vendor contract with the department,
7 or has otherwise failed to allow eligible residential customers to
8 receive assistance under the program, the notice shall indicate, in a
9 clear and conspicuous manner, that the local authority or municipal
10 utility shall be prohibited from discontinuing the water or
11 wastewater service of any residential customer for non-payment,
12 and from placing, selling, or enforcing a lien on real property for
13 the unpaid balances of any residential customer, until such time as
14 the program is terminated, the local authority or municipal utility
15 enters into a vendor contract with the department, or the local
16 authority or municipal utility otherwise allows eligible residential
17 customers to receive assistance under the program.

18 (2) While the program remains in operation, a local authority or
19 municipal utility shall attest to the department, on a monthly basis,
20 that the local authority or municipal utility is in compliance with the
21 requirements of paragraph (2) of subsection b. of this section, and
22 the department may require the local authority or municipal utility
23 to submit written documentation to the department attesting to such
24 compliance.

25 (3) Within 10 calendar days of the termination of the program,
26 the department shall provide written notice to each local authority
27 or municipal utility indicating that the provisions of subsection b. of
28 this section no longer apply.

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

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

46 (3) If a local authority or municipal utility places, sells, or
47 enforces a lien on the real property of a residential customer, in

1 violation of the provisions of subsection b. of this section, the lien
2 shall be deemed null and void.

3 e. Within 14 calendar days following the effective date of
4 P.L. , c. (C.) (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
7 questions, to each local authority and municipal utility concerning
8 the duties and responsibilities of the local authority or municipal
9 utility under the vendor contract, any other duties and
10 responsibilities of a local authority or municipal utility that enters
11 into a vendor contract, as well as any other information that the
12 department may deem appropriate.

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

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

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

25 (3) any other information that the department deems
26 appropriate.

27

28 2. a. As used in this section:

29 “Board” means the Board of Public Utilities.

30 “Department” means the Department of Community Affairs.

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

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

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

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

45 b. (1) While the program remains in operation, if a water
46 public utility fails to enter into a vendor contract with the
47 department, or otherwise fails to allow eligible residential
48 customers to receive assistance under the program, the water public

1 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
4 Bill of Rights approved by the board, while the program remains in
5 operation, each water public utility shall advertise, in a form and
6 manner prescribed by the department, eligibility for the program:

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

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

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

13 c. (1) Within 10 calendar days following the effective date of
14 P.L. , c. (C.) (pending before the Legislature as this bill),
15 the board shall provide written notice to each water public utility
16 concerning the provisions of this section.

17 (2) When the department determines that the water public utility
18 has failed to enter into a vendor contract with the department, or has
19 otherwise failed to allow eligible residential customers to receive
20 assistance under the program, the department shall provide written
21 notice to the water public utility. The notice shall indicate, in a
22 clear and conspicuous manner, that the water public utility shall be
23 prohibited from discontinuing the water or wastewater service of
24 any residential customer for non-payment until such time as the
25 program is terminated, the water public utility enters into a vendor
26 contract with the department, or the water public utility otherwise
27 allows eligible residential customers to receive assistance under the
28 program. Upon providing the notice to the water public utility, the
29 department shall also provide a copy of the notice, including an
30 identification of the water public utility, to the board.

31 (3) While the program remains in operation, a water public
32 utility shall attest to the board, on a monthly basis, that the water
33 public utility is in compliance with the requirements of paragraph
34 (2) of subsection b. of this section, and the board may require the
35 water public utility to submit written documentation to the board
36 attesting to such compliance.

37 (4) Within 10 calendar days of the termination of the program,
38 the board shall provide written notice to each water public utility
39 indicating that the provisions of subsection b. of this section no
40 longer apply.

41 d. (1) A water public utility that violates the provisions of
42 subsection b. of this section shall be subject to a penalty of \$500 for
43 each calendar day in which water or wastewater service is
44 discontinued for a residential customer and a fine of \$100 for each
45 instance in which the water public utility fails to advertise
46 eligibility for the program, including each residential customer bill
47 that fails to include this information. Any penalty imposed under
48 this section shall be collected, with costs, in a civil action by a

1 summary proceeding under the “Penalty Enforcement Law of
2 1999,” P.L.1999, c.274 (C.2A:58-10 et seq.). The Superior Court
3 and the municipal court shall have jurisdiction over such
4 proceedings.

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

9 e. Within 14 calendar days following the effective date of
10 P.L. , c. (C.) (pending before the Legislature as this bill),
11 the department shall provide written, plain language instructions,
12 including, but not limited to, a response to frequently asked
13 questions, to each water public utility concerning the duties and
14 responsibilities of the water public utility under the vendor contract,
15 any other duties and responsibilities of a water public utility that
16 enters into a vendor contract, as well as any other information that
17 the department may deem appropriate.

18 f. Within 14 calendar days following the effective date of
19 P.L. , c. (C.) (pending before the Legislature as this bill),
20 and every 14 calendar days thereafter until the termination of the
21 program, the department shall provide written notice to each water
22 public utility, which notice shall indicate:

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

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

30 (3) any other information that the department deems
31 appropriate.

32

33 3. a. Notwithstanding any provisions of the “Administrative
34 Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.) to the
35 contrary, the Department of Community Affairs, in consultation
36 with the Board of Public Utilities, shall adopt, immediately upon
37 filing with the Office of Administrative Law and no later than the
38 90th day after the effective date of this act, such rules and
39 regulations as the department deems necessary to implement the
40 provisions of this act, which regulations shall be effective for a
41 period not to exceed 12 months. The regulations may thereafter be
42 amended, adopted, or readopted by the department in accordance
43 with the provisions of the “Administrative Procedure Act,”
44 P.L.1968, c.410 (C.52:14B-1 et seq.).

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

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

9
10 4. This act shall take effect immediately.

11
12
13 STATEMENT

14
15 This bill imposes certain requirements on water service
16 providers, including local authorities, municipal utilities, and water
17 public utilities, concerning their participation in the Low Income
18 Household Water Assistance Program (LIHWAP).

19 Currently, the Department of Community Affairs (DCA) uses
20 federal funding to administer the LIHWAP, which provides
21 financial assistance toward the water and wastewater bills of certain
22 low-income households. As required under federal law, this
23 financial assistance is provided directly to the water service
24 providers that service participating low-income households.
25 However, before the customers of a water service provider can
26 receive assistance under the program, the water service provider is
27 required to enter into a vendor contract with the DCA to effectuate
28 their participation in the program.

29 While the LIHWAP remains in operation, the bill provides that if
30 a water service provider fails to enter into a vendor contract with
31 the DCA, or the water service provider otherwise fails to allow
32 eligible customers to receive assistance under the LIHWAP, the
33 water service provider would be prohibited from: (1) discontinuing
34 the water or wastewater service of any residential customer for non-
35 payment; and (2) in the case of a local authority or municipal
36 utility, placing, selling, or enforcing a lien on real property for the
37 unpaid balance of the water or wastewater charges of any
38 residential customer. A water service provider that violates this
39 prohibition would be subject to a fine of \$500 for each calendar day
40 in which the water or wastewater service is discontinued for non-
41 payment.

42 Additionally, the bill requires each water service provider to
43 advertise, in a manner and form prescribed by the DCA, eligibility
44 for the LIHWAP on the bills of every residential customer, on the
45 water service provider’s Internet website, and in any written
46 communications provided to a residential customer in connection to
47 an overdue water or wastewater bill. A water service provider that
48 violates this requirement would be subject to a fine of \$100 for each

1 instance in which the water service provider fails to advertise
2 eligibility for the program, including residential customer bill that
3 fails to include this information.

4 The bill also requires the DCA and the Board of Public Utilities
5 to provide written notice to water service providers concerning the
6 provisions of this bill. If the DCA determines that the water service
7 provider has failed to enter into a vendor contract with the DCA, or
8 has otherwise failed to allow eligible residential customers to
9 receive assistance under the LIHWAP, the notice would be required
10 to indicate, in a clear and conspicuous manner, that the water
11 service provider is prohibited from: (1) discontinuing the water or
12 wastewater service of any residential customer for non-payment;
13 and (2) in the case of a local authority or municipal utility, placing,
14 selling, or enforcing a lien on real property for the unpaid balance
15 of the water or wastewater charges of any residential customer. The
16 bill also requires separate notice to be provided when the LIHWAP
17 is terminated and the provisions of the bill no longer apply.

18 The bill also requires the DCA to provide written instructions to
19 each water service provider concerning the duties and
20 responsibilities of the water service provider under the vendor
21 contract, as well as any other duties and responsibilities of a water
22 service provider that enters into a vendor contract. The bill also
23 requires the DCA to provide bi-weekly written notice to each water
24 service provider concerning the status of every residential customer
25 who applies for the LIHWAP.