

[First Reprint]

SENATE, No. 3333

STATE OF NEW JERSEY
220th LEGISLATURE

INTRODUCED NOVEMBER 21, 2022

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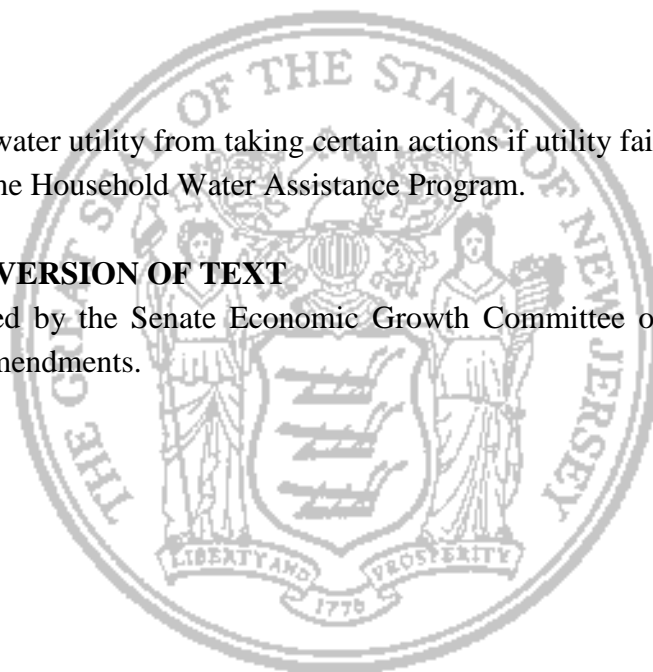
**Senators Pou, Ruiz, Assemblywomen Eulner, Piperno, Speight, Park and
Assemblyman Coughlin**

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 Senate Economic Growth Committee on February 16, 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
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, ¹a joint meeting or regional service agency, as
16 defined in section 3 of P.L.2007, c.63 (C.40A:65-3), or a water
17 commission appointed pursuant to R.S.40:62-109,¹ that provides
18 water or wastewater service.

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

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

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

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

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

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

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 February 16, 2023.

1 (2) discontinuing the water or wastewater service of any
2 qualifying customer for non-payment, except in the case of a
3 qualifying customer who is enrolled in a deferred payment
4 agreement with the local authority or municipal utility and complies
5 with all requirements of the agreement; or

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

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

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

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

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

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

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

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

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

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

43 d.¹ (1) Within 10 calendar days following the effective date of
44 P.L. , c. ¹【(C.)】¹ (pending before the Legislature as this
45 bill), the department shall provide written notice to each local
46 authority or municipal utility concerning the provisions of this
47 section. When the department determines that the local authority or

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

16 (2) ¹While the program remains in operation¹ Before October
17 1, 2023¹, a local authority or municipal utility shall ¹attest to the
18 department, on a monthly basis, that the local authority or
19 municipal utility is in¹ document its¹ compliance with the
20 requirements of paragraph (2) of subsection ¹b. c.¹ of this
21 section, and the department ¹may¹ shall¹ require the local
22 authority or municipal utility to submit written documentation to
23 the department attesting to such compliance.

24 (3) Within 10 calendar days ¹of the termination of the
25 program¹ after September 30, 2023¹, the department shall provide
26 written notice to each local authority or municipal utility indicating
27 that the provisions of subsection ¹b. c.¹ of this section no longer
28 apply.

29 ¹d. e.¹ (1) A local authority or municipal utility that violates
30 the provisions of subsection ¹b. c.¹ of this section shall be subject
31 to a penalty of \$500 for each calendar day in which water or
32 wastewater service is discontinued for a residential customer and a
33 fine of \$100 for each instance in which the local authority or
34 municipal utility fails to advertise eligibility for the program
35 ¹pursuant to paragraphs (2) and (3) of subsection c. of this section¹,
36 including each residential customer bill that ¹that¹ fails to include
37 this information. Any penalty imposed under this section shall be
38 collected, with costs, in a civil action by a summary proceeding
39 under the "Penalty Enforcement Law of 1999," P.L.1999, c.274
40 (C.2A:58-10 et seq.). The Superior Court and the municipal court
41 shall have jurisdiction over such proceedings.

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

1 (3) If a local authority or municipal utility places, sells, or
2 enforces a lien on the real property of a residential customer ¹for
3 the unpaid balance of water or wastewater service charges¹, in
4 violation of the provisions of subsection ¹**[(b.) c.]¹** of this section,
5 the lien shall be deemed null and void.

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

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

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

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

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

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

41 (3) Notwithstanding any provision of paragraph (1) of
42 subsection b. of this section to the contrary, if a local authority or
43 municipal utility receives written notice from the department after
44 September 30, 2023 that a qualifying customer has been approved
45 to participate in the program, the local authority or municipal utility
46 shall waive any interest assessed on the customer for the unpaid
47 balance of water or wastewater charges during the period after

1 September 30, 2023 and before the date of receipt of the notice,
2 unless the unpaid balance of the customer has been paid by a third-
3 party lienholder or sold at a tax sale.

4 h. Within 14 calendar days following the effective date of
5 P.L. , c. (pending before the Legislature as this bill), and every
6 14 calendar days thereafter until October 1, 2023, each local
7 authority and municipal utility shall provide written notice to the
8 department, which notice shall indicate the name, address, utility
9 account number, and current unpaid balances owed for each
10 residential customer of the local authority or municipal utility who
11 is in arrears. The department shall use the written notice to
12 encourage otherwise eligible customers to participate in the
13 program. The written notice shall be considered confidential and
14 shall not be available for public disclosure.¹

15

16 2. a. As used in this section:

17 “Board” means the Board of Public Utilities.

18 “Department” means the Department of Community Affairs.

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

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

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

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

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

36 b. ¹Each water public utility shall enter into a vendor contract
37 with the department and participate in the program, as required
38 under the vendor contract. Notwithstanding any provision of law or
39 regulation to the contrary, and to the extent permitted under federal
40 law, the vendor contract shall not prohibit a water public utility
41 from undertaking any of the following actions after September 30,
42 2023:

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

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

6 c.¹ (1) ¹**【While the program remains in operation】** Before
7 October 1, 2023¹, if a water public utility fails to enter into a vendor
8 contract with the department, or otherwise fails to allow ¹**【eligible**
9 **residential】** qualifying¹ customers to receive assistance under the
10 program, the water public utility shall be prohibited from
11 discontinuing the water or wastewater service of any residential
12 customer for non-payment.

13 (2) In addition to any information contained in the Customer
14 Bill of Rights approved by the board, ¹**【while the program remains**
15 **in operation】** before October 1, 2023¹, each water public utility
16 shall advertise, ¹**【in a form and manner prescribed by the**
17 **department】** pursuant to paragraph (3) of this subsection¹,
18 eligibility for the program:

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

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

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

25 ¹**【c.】** (3) Within 14 calendar days following the effective date
26 of P.L. , c. (pending before the Legislature as this bill), the
27 department shall prescribe the form and manner in which a water
28 public utility shall advertise eligibility for the program pursuant to
29 paragraph (2) of this subsection, except that before such time, each
30 water public utility shall advertise eligibility for the program in a
31 form and manner determined by the water public utility.

32 d.¹ (1) Within 10 calendar days following the effective date of
33 P.L. , c. ¹**【(C.)】¹** (pending before the Legislature as this
34 bill), the board shall provide written notice to each water public
35 utility concerning the provisions of this section.

36 (2) When the department determines that the water public utility
37 has failed to enter into a vendor contract with the department, or has
38 otherwise failed to allow ¹**【eligible residential】** qualifying¹
39 customers to receive assistance under the program, the department
40 shall provide written notice to the water public utility. The notice
41 shall indicate, in a clear and conspicuous manner, that the water
42 public utility shall be prohibited from discontinuing the water or
43 wastewater service of any residential customer for non-payment
44 ¹before October 1, 2023 or¹ until such time as ¹**【the program is**
45 **terminated,】¹** the water public utility enters into a vendor contract
46 with the department, or the water public utility otherwise allows
47 ¹**【eligible residential】** qualifying¹ customers to receive assistance

1 under the program ¹ whichever occurs earlier¹. Upon providing the
2 notice to the water public utility, the department shall also provide a
3 copy of the notice, including an identification of the water public
4 utility, to the board.

5 (3) ¹~~While the program remains in operation~~ Before October
6 1, 2023¹, a water public utility shall ¹~~attest to the board, on a~~
7 ~~monthly basis, that the water public utility is in~~ document its¹
8 ~~compliance with the requirements of paragraph (2) of subsection~~
9 ~~1[b.] c.~~¹ of this section, and the board ¹~~may~~ shall¹ require the
10 water public utility to submit written documentation to the board
11 attesting to such compliance.

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

16 ¹~~1[d.] e.~~¹ (1) A water public utility that violates the provisions
17 of subsection ¹~~1[b.] c.~~¹ of this section shall be subject to a penalty of
18 \$500 for each calendar day in which water or wastewater service is
19 discontinued for a residential customer and a fine of \$100 for each
20 instance in which the water public utility fails to advertise
21 eligibility for the program ¹pursuant to subsection c. of this
22 section¹, including each residential customer bill that fails to
23 include this information. Any penalty imposed under this section
24 shall be collected, with costs, in a civil action by a summary
25 proceeding under the “Penalty Enforcement Law of 1999,”
26 P.L.1999, c.274 (C.2A:58-10 et seq.). The Superior Court and the
27 municipal court shall have jurisdiction over such proceedings.

28 (2) If a water public utility discontinues the water or wastewater
29 service of a residential customer for non-payment, in violation of
30 the provisions of subsection ¹~~1[b.] c.~~¹ of this section, the
31 discontinuance shall be nullified and service shall be restored
32 immediately.

33 ¹~~1[e.] f.~~¹ Within 14 calendar days following the effective date
34 of P.L. , c. ¹~~1(C.)~~¹ (pending before the Legislature as this
35 bill), the department shall provide written, plain language
36 instructions, including, but not limited to, a response to frequently
37 asked questions, to each water public utility concerning the duties
38 and responsibilities of the water public utility under the vendor
39 contract, any other duties and responsibilities of a water public
40 utility that enters into a vendor contract, as well as any other
41 information that the department may deem appropriate. ¹The
42 instructions shall also include direct contact information for one or
43 more employees of the department who are responsible for
44 administering the program, which persons may assist the water
45 public utility in the implementation of the program.¹

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

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

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

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

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

22 (3) Notwithstanding any provision of paragraph (1) of
23 subsection b. of this section to the contrary, if a water public utility
24 receives written notice from the department after September 30,
25 2023 that a qualifying customer has been approved to participate in
26 the program, the water public utility shall waive any interest
27 assessed on the customer for the unpaid balance of water or
28 wastewater charges during the period after September 30, 2023 and
29 before the date of receipt of the notice.

30 h. Within 14 calendar days following the effective date of
31 P.L. , c. (pending before the Legislature as this bill), and every
32 14 calendar days thereafter until October 1, 2023, each water public
33 utility shall provide written notice to the department, which notice
34 shall indicate the name, address, utility account number, and current
35 unpaid balances owed for each residential customer of the water
36 public utility who is in arrears. The department shall use the
37 written notice to encourage otherwise eligible customers to
38 participate in the program. The written notice shall be considered
39 confidential and shall not be available for public disclosure.¹

40
41 ¹**3. a.** Within 30 calendar days following the effective date of
42 P.L. , c. (pending before the Legislature as this bill), and every
43 45 calendar days thereafter until October 1, 2023, the department
44 shall submit a written report concerning the operations of the
45 program to the Legislature, pursuant to section 2 of P.L.1991, c.164
46 (C.52:14-19.1).

- 1 b. In addition to any other information that the department
2 deems appropriate, the report shall indicate:
3 (1) the number of persons who applied for the program;
4 (2) the number of persons who have been approved and denied
5 for the program, respectively;
6 (3) the number of local authorities, municipal utilities, and water
7 public utilities that have entered into the vendor contract, including
8 the names of any such local authority, municipal utility, or water
9 public utility; and
10 (4) the amount of funding that has been expended on the
11 program, including administrative expenses and program assistance
12 payments, respectively.¹

13
14 ¹**[3.] 4.**¹ a. Notwithstanding any provisions of the
15 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et
16 seq.) to the contrary, the Department of Community Affairs, in
17 consultation with the Board of Public Utilities, shall adopt,
18 immediately upon filing with the Office of Administrative Law and
19 no later than the 90th day after the effective date of this act, such
20 rules and regulations as the department deems necessary to
21 implement the provisions of this act, which regulations shall be
22 effective for a period not to exceed 12 months. ¹**[The regulations**
23 **may thereafter be amended, adopted, or readopted by the**
24 **department in accordance with the provisions of the**
25 **“Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et**
26 **seq.).]**¹

27 b. Notwithstanding any provisions of the “Administrative
28 Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.) to the
29 contrary, the Board of Public Utilities, in consultation with the
30 Department of Community Affairs, shall adopt, immediately upon
31 filing with the Office of Administrative Law and no later than the
32 90th day after the effective date of this act, such rules and
33 regulations as the board deems necessary to implement the
34 provisions of this act, which regulations shall be effective for a
35 period not to exceed 12 months. ¹**[The regulations may thereafter**
36 **be amended, adopted, or readopted by the board in accordance with**
37 **the provisions of the “Administrative Procedure Act,” P.L.1968,**
38 **c.410 (C.52:14B-1 et seq.).]**¹

39
40 ¹**[4.] 5.**¹ This act shall take effect immediately.