

# ASSEMBLY, No. 4933

## STATE OF NEW JERSEY

### 221st LEGISLATURE

INTRODUCED OCTOBER 21, 2024

**Sponsored by:**

**Assemblywoman ROSAURA "ROSY" BAGOLIE**

**District 27 (Essex and Passaic)**

**Assemblywoman ANNETTE QUIJANO**

**District 20 (Union)**

**SYNOPSIS**

Establishes New Jersey Low Income Household Water Assistance Program to provide water service and water bill payment assistance to certain low-income households; appropriates \$25 million.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT concerning water service and water bill payment assistance  
2 for certain households, supplementing Title 52 of the Revised  
3 Statutes, and making an appropriation.

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

7  
8 1. As used in P.L. , c. (C. ) (pending before the  
9 Legislature as this bill:

10 "Arrears" means debt owed by a customer of a water system for  
11 unpaid water service bills.

12 "Assistance" means financial and other assistance provided to or  
13 on behalf of an eligible household to reduce the household's costs  
14 of water service.

15 "Board" means the New Jersey Board of Public Utilities.

16 "Commissioner" means the Commissioner of Community  
17 Affairs.

18 "Department" means the Department of Community Affairs.

19 "Eligible household" means a household that pays for its own  
20 water or sewer services and which has a monthly household income  
21 at or below 60 percent of the New Jersey State median income to be  
22 established by the department based on the most recent Statewide  
23 data from the United States Census Bureau.

24 "Fund" means the New Jersey Low Income Household Water  
25 Assistance Program Fund, established pursuant to section 3 of  
26 P.L. , c. (C. ) (pending before the Legislature as this bill).

27 "Local authority" or "authority" means an authority, as defined in  
28 N.J.S.40A:5A-3, or a water district established pursuant to  
29 R.S.40:62-96 et seq., that provides water or wastewater service.

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

35 "Program" means the New Jersey Low Income Household Water  
36 Assistance Program, established pursuant to section 2 of P.L. c.  
37 (C. ) (pending before the Legislature as this bill).

38 "Public utility" means and includes a public utility as defined in  
39 R.S.48:2-13 that provides water, wastewater, or sewer service.

40 "Qualifying customer" means a residential customer who has  
41 been approved by the department to participate in the program.

42 "Residential customer" means a residential customer of record of  
43 a local authority or municipal utility, or any residential tenant of a  
44 residence where the owner of the residence, or any agent or other  
45 representative thereof, is a customer of record of the local authority  
46 or municipal utility.

47 "Vendor contract" means one or more written agreements entered  
48 into between a local authority or municipal utility and the

1 department to effectuate the local authority or municipal utility's  
2 participation in the program, which agreement or agreements shall  
3 allow qualifying customers of the local authority or municipal  
4 utility to participate in the program.

5 "Water service" means service provided by a water system.

6 "Water system" means all of the following:

7 a. a public community water system, as defined in section 3 of  
8 P.L.1977, c.224 (C.58:12A-3);

9 b. a stormwater utility established pursuant to section 4 of  
10 P.L.2019, c.42 (C.40A:26B-4); and

11 c. an authority, as defined in P.L.1983, c. 313 (C.40A:5A-3),  
12 municipal public utility, as defined in P.L.1960, c.169 (C.40A:1-1),  
13 or public utility, as defined pursuant to R.S.48:2-13, that provides  
14 sewer service.

15

16 2. a. The Commissioner of Community Affairs, in consultation  
17 with the Board of Public Utilities, shall establish the "New Jersey  
18 Low Income Household Water Assistance Program" not later than  
19 the first day of the sixth month next following the enactment of  
20 P.L. , c. (C. ) (pending before the Legislature as this bill).  
21 The purpose of the program shall be to provide grants to public  
22 utilities, local authorities, and municipal utilities to assist eligible  
23 households by:

24 (1) providing financial and other assistance to, or on behalf of,  
25 eligible households throughout New Jersey;

26 (2) reducing the cost of water services to those households;

27 (3) preventing the disconnection of water service to households  
28 due to inability to pay; and

29 (4) restoring water service to households disconnected due to  
30 inability to pay.

31 b. The program, to the greatest extent possible, shall ensure  
32 that the costs of water services are affordable for all eligible  
33 households and shall provide the following types of assistance:

34 (1) direct assistance;

35 (2) assistance to renters and other households who do not  
36 receive a bill from a water system but pay other amounts, fees, or  
37 charges related to residential water system service;

38 (3) water crisis intervention assistance;

39 (4) water efficiency, leak detection, and plumbing repair  
40 measures; and

41 (5) debt relief for arrears, including arrears accrued prior to  
42 implementation of the program.

43 c. In addition to the assistance provided pursuant to subsection  
44 b. of this section, the program shall also offer short-term financial  
45 support to water systems that are not public utilities as defined by  
46 R.S.48:2-13 to administer program components, including initial  
47 startup costs.

1 d. The program may provide financial support to a water  
2 system that is not a public utility as defined by R.S.48:2-13 to  
3 provide assistance pursuant to subsection b. of this section to  
4 eligible households provided that the total amount of funds used for  
5 this purpose shall not exceed three percent of the program's total  
6 annual budget.

7 e. If the commissioner secures federal funding that may be  
8 used to provide assistance under the program prior to the first day  
9 of the sixth month next following the enactment of  
10 P.L. , c. (C. ) (pending before the Legislature as this bill),  
11 the commissioner shall begin to operate the program on an  
12 emergency basis, consistent with any applicable conditions on the  
13 State's receipt of such federal funding.

14 f. The commissioner shall coordinate the program with any  
15 existing assistance programs to the extent practicable.

16 g. In developing the program, the commissioner shall review  
17 and consider adapting program design elements of one or more  
18 existing low-income energy assistance programs, including the  
19 Universal Service Fund and the Low Income Home Energy  
20 Assistance Program.

21 h. In administering the program, the commissioner shall  
22 consult and coordinate with the board to develop and publish  
23 performance metrics that are disaggregated by authority or utility  
24 name, type of water service provided, municipality, and zip code or,  
25 to the maximum extent practicable, census tract in lieu of zip code.  
26 Performance metrics shall include, but are not limited to,  
27 enrollment levels, disconnection of water service for inability to  
28 pay, and on-time payment levels. The commissioner shall  
29 coordinate with the board to collect data to track the performance  
30 metrics.

31 i. The commissioner shall, as may be necessary, coordinate  
32 and consult with other State agencies concerning aspects of the  
33 program and resolve disputes, through use of memorandums of  
34 understanding, as may be necessary.

35 j. The commissioner shall authorize local authorities and  
36 municipal utilities to impose a surcharge on their customers who are  
37 not eligible households to pay for the costs experienced by the local  
38 authority or municipal utility to comply with the requirements of  
39 P.L. , c. (C. ) (pending before the Legislature as this bill).

40  
41 3. a. There is created in the Department of Community Affairs  
42 a separate trust fund, to be used for the exclusive purposes as  
43 provided in this section, and which shall be known as the "New  
44 Jersey Low Income Household Water Assistance Program Fund."  
45 The fund shall be a non-lapsing fund. All monies appropriated  
46 annually by the Legislature, federal and other grants received by the  
47 State, and any other monies made available for the purposes of the  
48 fund shall be deposited in the fund. Additionally, the department

1 shall seek to maximize any available federal funding which may be  
2 used for the purposes of administering this program. The  
3 department shall be permitted to utilize annually up to 10 percent of  
4 the monies available in the fund for the payment of any necessary  
5 administrative costs related to the administration of the program,  
6 pursuant to subsection a. of section 2 of P.L. , c. (C. )  
7 (pending before the Legislature as this bill).

8 b. Monies in the fund shall be used by the department for the  
9 purposes provided in subsections b., c., and d. of section 2 of  
10 P.L. , c. (C. ) (pending before the Legislature as this bill).

11  
12 4. a. To participate in the program, each public utility, local  
13 authority, or municipal utility shall enter into a vendor contract with  
14 the department, on a form and in such manner as determined by the  
15 commissioner, to provide assistance to qualified customers.  
16 Notwithstanding any provision of law or regulation to the contrary,  
17 and to the extent permitted under federal law, the vendor contract  
18 shall not prohibit a public utility, local authority, or municipal  
19 utility from undertaking any of the following actions after  
20 enactment of P.L. , c. (C. ) (pending before the Legislature  
21 as this bill):

22 (1) assessing interest on the unpaid balance of the water or  
23 wastewater service charges of any qualifying customer;

24 (2) discontinuing the water or wastewater service of any  
25 qualifying customer for non-payment, except in the case of a  
26 qualifying customer who is enrolled in a deferred payment  
27 agreement with the public utility, local authority, or municipal  
28 utility and complies with all requirements of the agreement; and

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

32 b. (1) If a public utility, local authority, or municipal utility  
33 fails to enter into a vendor contract with the department, or  
34 otherwise fails to allow qualifying customers to receive assistance  
35 under the program, the public utility, local authority, or municipal  
36 utility shall be prohibited from:

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

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

42 (2) Upon entering into a vendor contract, each public utility,  
43 local authority, or municipal utility shall advertise, pursuant to  
44 paragraph (3) of this subsection, eligibility for the program:

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

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

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

4 (3) Within 14 calendar days following the effective date of  
5 P.L. , c. (C. ) (pending before the Legislature as this bill),  
6 the department shall prescribe the form and manner in which a  
7 public utility, local authority, or municipal utility shall advertise  
8 eligibility for the program pursuant to paragraph (2) of this  
9 subsection, except that before such time, each public utility, local  
10 authority, and municipal utility shall advertise eligibility for the  
11 program in a form and manner determined by the public utility,  
12 local authority, or municipal utility.

13 (4) Notwithstanding any provision to the contrary, this section  
14 shall not apply to any municipal lien that was sold to a third party  
15 before the effective date of P.L. , c. (C. ) (pending before  
16 the Legislature as this bill) or to the payment of unpaid water or  
17 wastewater charges by a third party lienholder.

18 c. (1) Within 10 calendar days following the effective date  
19 of P.L. , c. (C. ) (pending before the Legislature as this  
20 bill), the department shall provide written notice to each public  
21 utility, local authority, or municipal utility concerning the  
22 provisions of this section.

23 (2) A public utility, local authority, or municipal utility shall  
24 document its compliance with the requirements of paragraph (2) of  
25 subsection b. of this section, and the department shall require the  
26 public utility, local authority, or municipal utility to submit written  
27 documentation to the department attesting to such compliance.

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

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

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

1 customer for the unpaid balance of water or wastewater service  
2 charges, in violation of the provisions of this section, the lien shall  
3 be deemed null and void.

4  
5 5. a. Within 14 calendar days following the effective date of  
6 P.L. , c. (C. ) (pending before the Legislature as this bill),  
7 the department shall provide written, plain language instructions to  
8 each public utility, local authority, and municipal utility concerning  
9 the duties and responsibilities of the public utility, local authority,  
10 or municipal utility under the vendor contract, any other duties and  
11 responsibilities of a public utility, local authority, or municipal  
12 utility that enters into a vendor contract, and any other information  
13 that the department may deem appropriate. The instructions shall  
14 also include direct contact information for one or more employees  
15 of the department who are responsible for administering the  
16 program, which persons may assist the public utility, local  
17 authority, or municipal utility in the implementation of the program.

18 b. 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, the department shall provide  
21 written notice to each public utility, local authority, or municipal  
22 utility, which notice shall indicate:

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

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

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

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

40 d. Within 14 calendar days following the effective date of  
41 P.L. , c. (C. ) (pending before the Legislature as this bill),  
42 and every 14 calendar days thereafter, each public utility, local  
43 authority, and municipal utility shall provide written notice to the  
44 department, which notice shall indicate the name, address, utility  
45 account number, and current unpaid balances owed for each  
46 residential customer of the public utility, local authority, or  
47 municipal utility who is in arrears. The department shall use the  
48 written notice to encourage otherwise eligible households to

1 participate in the program. The written notice shall be considered  
2 confidential and shall not be available for public disclosure.

3

4 6. Within one year following the effective date of P.L. , c.  
5 (C. ) (pending before the Legislature as this bill), and annually  
6 thereafter, the department shall submit a written report concerning  
7 the operations of the program to the Governor, and to the  
8 Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1).  
9 In addition to any other information that the department deems  
10 appropriate, the report shall indicate:

11 a. the number of persons who applied for the program;

12 b. the number of persons who have been approved and denied  
13 for the program, respectively;

14 c. the number of public utilities, local authorities, and  
15 municipal utilities that have entered into a vendor contract,  
16 including the names of any such public utility, local authority, or  
17 municipal utility; and

18 d. the amount of funding that has been expended on the  
19 program, including administrative expenses and program assistance  
20 payments, respectively.

21

22 7. The commissioner, in consultation with board and pursuant  
23 to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-  
24 1 et seq.), shall adopt rules and regulations to effectuate the  
25 provisions of P.L. , c. (C. ) (pending before the Legislature  
26 as this bill).

27

28 8. There is appropriated from the General Fund to the  
29 Department of Community Affairs the sum of \$25,000,000 to  
30 provide grants to effectuate the purposes of P.L. , c. (C. )  
31 (pending before the Legislature as this bill).

32

33 9. This act shall take effect immediately.

34

35

36

#### STATEMENT

37

38 This bill requires the Commissioner of Community Affairs  
39 (commissioner), in consultation with the New Jersey Board of  
40 Public Utilities (board), to establish the "New Jersey Low Income  
41 Household Water Assistance Program" (program). The purpose of  
42 the program is to provide affordability assistance for water and  
43 sewer services to eligible households throughout New Jersey.  
44 Under the bill, "eligible household" means a household that pays for  
45 its own water or sewer services and which has a monthly household  
46 income at or below 60 percent of the New Jersey State median  
47 income, to be established by the Department of Community Affairs



1 based on the most recent Statewide data from the United States  
2 Census Bureau.

3 Under the bill, the programs would provide the following types  
4 of assistance:

- 5 • direct assistance;
- 6 • assistance to renters and other households who do not  
7 receive a bill from a water system but pay other amounts,  
8 fees, or charges related to residential water system service;
- 9 • water crisis intervention assistance;
- 10 • water efficiency, leak detection, and plumbing repair  
11 measures for eligible households; and
- 12 • debt relief for arrears, including arrears accrued prior to  
13 implementation of the program.

14 The commissioner is required to coordinate the program with any  
15 existing assistance programs, and in developing the program, the  
16 commissioner is also required to review and consider adapting  
17 elements of one or more existing low-income energy assistance  
18 programs, including the Universal Service Fund and the Low  
19 Income Home Energy Assistance Program.

20 The bill also establishes the "New Jersey Low Income Household  
21 Water Assistance Program Fund." The fund would be a non-lapsing  
22 fund to contain monies appropriated annually by the Legislature,  
23 federal and other grants received by the State, and any other monies  
24 made available to fund the water affordability assistance required to  
25 be provided in the bill.

26 To participate in the program, each public utility, local authority,  
27 or municipal utility is required to enter into a vendor contract with  
28 the department, on a form and in such manner as determined by the  
29 commissioner, to provide assistance to eligible households.

30 The bill requires the commissioner to submit an annual written  
31 report concerning the operations of the program to the Governor  
32 and to the Legislature, which is required to include information  
33 concerning:

- 34 • the number of persons who applied for the program;
- 35 • the number of persons who have been approved and denied  
36 for the program, respectively;
- 37 • the number of public utilities, local authorities, and  
38 municipal utilities that have entered into a vendor contract,  
39 including the names of any such public utility, local  
40 authority, or municipal utility; and
- 41 • the amount of funding that has been expended on the  
42 program, including administrative expenses and program  
43 assistance payments, respectively.

44 The bill appropriates \$25 million from the General Fund to the  
45 Department of Community Affairs to provide grants to effectuate  
46 the bill's provisions.