

§§1,2
T&E and Note
§§3-5
C.40A:5A-28 to
40A:5A-30
§§6-8
C.48:2-29.54 to
48:2-29.56

(CORRECTED COPY)

P.L. 2021, CHAPTER 317, *approved December 21, 2021*
Senate, No. 4081 (*Second Reprint*)

1 AN ACT concerning certain ²[sewer and water]² utility service
2 protections and supplementing Title 40A of the New Jersey
3 Statutes 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 ²1. As used in sections 1 through 2 of P.L. , c. (C.)
9 (pending before the Legislature as this bill):

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 electric, sewer, or
13 water service.

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

16 “Public utility” means a public utility, as defined pursuant to
17 R.S.48:2-13, that provides electric, gas, sewer, or water service.

18 “Residential customer” means a residential customer of record of
19 a local authority, municipal utility, or a public utility or any
20 residential tenant of a residence where the owner or any agent or
21 other representative of the owner of the residence is a non-
22 residential customer of record of a local authority, municipal utility,
23 or public utility.²

24
25 ²[1.] ²2. ¹a. ¹ The provisions of Executive Order No. 246 of
26 2021 concerning a grace period for residential customers of certain
27 utilities, including paragraphs two through four, nine through 14, 16
28 through 18, and 21, shall remain in effect for any local authority,
29 municipal utility, and public utility that provides sewer or water
30 service ², and any municipal utility or rural electric cooperative that
31 provides electric service,² through March 15, 2022. Any residential
32 customer sewer or water service discontinuance ², and any
33 discontinuance of electric service to a residential customer of a

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 December 9, 2021.

²Senate SBA committee amendments adopted December 16, 2021.

1 municipal utility or rural electric cooperative² occurring between
2 the end of the grace period established pursuant to Executive Order
3 No. 246 of 2021 and the effective date of P.L. , c. (C.)
4 (pending before the Legislature as this bill) shall be nullified and
5 service shall be restored immediately. Notwithstanding any other
6 provisions of law, a local authority or municipal utility shall not
7 place, sell, or enforce a lien on real property for the unpaid balance
8 of any ²electric or² water ²charges,² or ²for the unpaid balance of
9 any² sewer charges ²not sold at tax sale as of January 1, 2022² until
10 after the expiration of the extended grace period pursuant to this
11 section. The extended grace period provided for in this section shall
12 expire on March 15, 2022.

13 ¹b. Notwithstanding any other provisions of law, prior to
14 discontinuing service to a residential customer, or placing, selling,
15 or enforcing a lien on real property owned by a residential customer
16 ²[.]² for the unpaid balance of any ²[electric, gas, or]² water
17 charges accrued between the declaration of a public health
18 emergency in Executive Order No. 103 of 2020 and ²[the expiration
19 date of the extended grace period established in subsection a. of this
20 section] March 15, 2022² , a local authority, municipal utility, or
21 public utility shall offer ²[to] the² residential ²[customers]
22 customer a² utility service bill payment ²[plans] plan² for the
23 unpaid balance of any water ²[or electric]² charges accrued
24 ²[between the declaration of a public health emergency in
25 Executive Order No. 103 of 2020 and the expiration date of the
26 extended grace period established in subsection a. of this section]
27 prior to March 15, 2022². The utility service bill payment plan
28 shall have a minimum 12 ²[-]² month duration unless the
29 residential customer requests a shorter payback period, and shall not
30 require payment of a down payment, deposit, reconnection costs,
31 interest, or penalties. The local authority, municipal utility, or
32 public utility may offer residential customers a combined payment
33 and payment forgiveness plan with a duration of less than 12
34 months that involves forgiveness of at least 50 percent of the
35 outstanding principal upon the consent of the residential customer.
36 If a residential customer does not agree to a utility service bill
37 payment plan ²pursuant to this subsection² within 30 days of being
38 offered ²[a] the² plan by the local authority, municipal utility, or
39 public utility, ²[the residential customer shall be deemed to have
40 waived the right to enter into a utility service bill payment plan
41 and]² the local authority, municipal utility, or public utility may
42 take appropriate enforcement action after ²[the expiration date of
43 the extended grace period pursuant to this section] March 15, 2022,
44 including discontinuing service or placing, selling, or enforcing a
45 lien, to the extent otherwise permitted by law ².

1 c. ²Notwithstanding any other provisions of law, prior to
2 discontinuing service to a residential customer, or placing, selling,
3 or enforcing a lien on real property owned by a residential
4 customer, for the unpaid balance of any electric charges accrued
5 between the declaration of a public health emergency in Executive
6 Order No. 103 of 2020 and March 15, 2022, a municipal electric
7 utility or rural electric cooperative shall offer the residential
8 customer a utility service bill payment plan for the unpaid balance
9 of any electric charges accrued prior to March 15, 2022. The utility
10 service bill payment plan shall have a minimum 12 month duration
11 unless the residential customer requests a shorter payback period,
12 and shall not require payment of a down payment, deposit,
13 reconnection costs, interest, or penalties. The municipal electric
14 utility or rural electric cooperative may offer residential customers a
15 combined payment and payment forgiveness plan with a duration of
16 less than 12 months that involves forgiveness of at least 50 percent
17 of the outstanding principal upon the consent of the residential
18 customer. If a residential customer does not agree to a utility
19 service bill payment plan pursuant to this subsection within 30 days
20 of being offered the plan by the municipal electric utility or rural
21 electric cooperative, the municipal electric utility or rural electric
22 cooperative may take appropriate enforcement action after March
23 15, 2022, including discontinuing service or placing, selling, or
24 enforcing a lien, to the extent otherwise permitted by law.

25 d. Notwithstanding any other provisions of law, prior to
26 discontinuing service to a residential customer for the unpaid
27 balance of any electric or gas charges accrued between the
28 declaration of a public health emergency in Executive Order No.
29 103 of 2020 and the expiration date of Executive Order No. 246 of
30 2021, or in the case of a customer participating in the Winter
31 Termination Program set forth in N.J.A.C.14:3-3A.5, any electric or
32 gas charges accrued between the declaration of a public health
33 emergency in Executive Order No. 103 of 2020 and March 15,
34 2022, a public utility shall offer the residential customer a utility
35 service bill payment plan for the unpaid balance of any electric or
36 gas charges accrued prior to the expiration date of Executive Order
37 No. 246 of 2021 or, in the case of a customer participating in the
38 Winter Termination Program set forth in N.J.A.C.14:3-3A.5, any
39 electric or gas charges accrued prior to March 15, 2022. The utility
40 service bill payment plan shall have a minimum 12 month duration
41 unless the residential customer requests a shorter payback period,
42 and shall not require payment of a down payment, deposit,
43 reconnection costs, interest, or penalties. The public utility may
44 offer residential customers a combined payment and payment
45 forgiveness plan with a duration of less than 12 months that
46 involves forgiveness of at least 50 percent of the outstanding
47 principal upon the consent of the residential customer. If a
48 residential customer does not agree to a utility service bill payment

1 plan pursuant to this subsection within 30 days of being offered the
2 plan by the public utility, the public utility may take appropriate
3 enforcement action after the expiration of Executive Order 246 of
4 2021 or for customers participating in the Winter Termination
5 Program set forth in N.J.A.C.14:3-3A.5 after March 15, 2022,
6 including discontinuing service, to the extent otherwise permitted
7 by law.

8 e.² Notwithstanding any other provisions of law, prior to
9 discontinuing service to a residential customer, or placing, selling,
10 or enforcing a lien on real property owned by a residential
11 customer, for the unpaid balance of any sewer charges accrued
12 between ²the declaration of a public health emergency in Executive
13 Order No. 103 of 2020 and March 15, 2022 that had not been sold
14 at tax sale as of ²January 1, 2022 ²[and the expiration date of the
15 extended grace period established in subsection a. of this section]² ,
16 a local authority, municipal utility, or public utility shall offer ²[to]
17 a² residential ²[customers] customer a² utility service bill payment
18 ²[plans] plan² for the unpaid balance of any sewer charges accrued
19 between ²[January 1, 2022 and the expiration date of the extended
20 grace period established in subsection a. of this Section. Any
21 unpaid sewer charges accrued between the declaration of a public
22 health emergency in Executive Order 103 No. of 2020 and
23 December 31, 2021 that had not been sold at tax sale as of January
24 1, 2022 shall also be included in a utility service bill payment plan
25 pursuant to this subsection] the declaration of a public health
26 emergency in Executive Order No. 103 of 2020 and March 15,
27 2022². The utility service bill payment plan shall have a minimum
28 12 ²[.]² month duration unless the residential customer requests a
29 shorter payback period, and shall not require a down payment,
30 deposit, reconnection costs, interest, or penalties. The local
31 authority, municipal utility, or public utility may offer residential
32 customers a combined payment and payment forgiveness plan with
33 a duration of less than 12 months that involves forgiveness of at
34 least 50 percent of the outstanding principal upon the consent of the
35 residential customer. If a residential ²sewer² customer does not
36 agree to a utility service bill payment plan within 30 days of being
37 offered a plan by the local authority, municipal utility, ²[the
38 residential customer shall be deemed to have waived the right to
39 enter into a utility service bill payment plan and] or public utility,²
40 the local authority, municipal utility, or public utility may take
41 appropriate enforcement action after ²[the expiration date of the
42 extended grace period pursuant to this section] March 15, 2022, to
43 the extent otherwise permitted by law².

44 ²[d.] f.² Utility service bill payment plans offered by municipal
45 utilities and local authorities pursuant to subsections b. ²[and] .² c.
46 ², and e.² of this section shall be subject to the provisions of

1 R.S.54:5-19 pertaining to installment agreements, except as
2 otherwise provided in this section, and that a residential customer
3 shall be offered a utility service bill payment plan for the payment
4 of water, sewer, or electric charges that became delinquent
5 notwithstanding whether a parcel of property is already subject to
6 an installment payment plan pursuant to law.

7 ²[e.] g.² No local authority, municipal utility, or public utility
8 shall collect any interest, fee, or charge ²from residential
9 customers² for late or otherwise untimely payments of ²[electric,
10 gas, or]² water charges that accrued between the declaration of a
11 public health emergency in Executive Order No. 103 of 2020 and
12 ²[the expiration date of the extended grace period] March 15,
13 2022². A local authority, municipality utility, or public utility may
14 charge and collect fees, interest, and penalties for delinquent water
15 ²[, electric, or gas]² charges that accrued prior to the declaration of
16 a public health emergency in Executive Order No. 103 of 2020 and
17 after ²[the expiration date of the extended grace period established
18 in subsection a.] March 15, 2022², as permitted by law.

19 ²h. No municipal electric utility or rural electric cooperative
20 shall collect any interest, fee, or charge from residential customers
21 for late or otherwise untimely payments of electric charges that
22 accrued between the declaration of a public health emergency in
23 Executive Order No. 103 of 2020 and March 15, 2022. A local
24 authority, municipal utility, or public utility may charge and collect
25 fees, interest, and penalties for delinquent electric charges that
26 accrued prior to the declaration of a public health emergency in
27 Executive Order No. 103 of 2020 and after March 15, 2022, as
28 permitted by law.

29 i. No public utility shall collect any interest, fee, or charge from
30 residential customers for late or otherwise untimely payments of
31 electric or gas charges that accrued between the declaration of a
32 public health emergency in Executive Order No. 103 of 2020 and
33 the expiration date of Executive Order No. 246 of 2021, or in the
34 case of a customer participating in the Winter Termination Program
35 set forth in N.J.A.C.14:3-3A.5, that accrued between the declaration
36 of a public health emergency in Executive Order No. 103 of 2020
37 and March 15, 2022. A public utility may charge and collect fees,
38 interest, and penalties for delinquent electric or gas charges that
39 accrued prior to the declaration of a public health emergency in
40 Executive Order No. 103 of 2020 and after the expiration date of
41 Executive Order No. 246 of 2021 or March 15, 2022, as applicable,
42 as permitted by law.²

43 ²[f.] j.² No local authority, municipal utility, or public utility
44 shall collect any interest, fee, or charge for late or otherwise
45 untimely payments of sewer charges that accrued between January
46 1, 2022 and ²[the expiration date of the extended grace period]
47 March 15, 2022², or that accrued between the declaration of a

1 public health emergency in Executive Order No. 103 of 2020 and
 2 December 31, 2021 and had not been sold at tax sale as of January
 3 1, 2022. A local authority, municipality utility, or public utility
 4 may charge and collect fees, interest²[,]² and penalties for
 5 delinquent sewer charges that accrued prior to the declaration of a
 6 public health emergency in Executive Order No. 103 of 2020 and
 7 after ²[the expiration date of the extended grace period established
 8 in subsection a. of this section] March 15, 2022², as permitted by
 9 law.¹

10

11 ²[²]³². As used in sections ²[²]³² through ²[⁴]⁵² of
 12 P.L. , c. (C.) (pending before the Legislature as this bill):

13 “Board” means ²the² Board of Public Utilities or any successor
 14 agency.

15 “Department” means the Department of Community Affairs.

16 “Local authority” means an authority, as defined in section 3 of
 17 P.L.1983, c.313 (C.40A:5A-3), ²or a water district established
 18 pursuant to R.S.40:62-96 et seq.² that provides ²electric,² sewer or
 19 water service.

20 “Municipal utility” means a municipal public utility, as defined
 21 in N.J.S.40A:1-1, that provides ²electric,² sewer or water service.

22 “Program” means the Winter ²[Sewer and Water]² Termination
 23 Program established pursuant to section ¹[²]²[³]⁴² of
 24 P.L. , c. (C.) (pending before the Legislature as this bill).

25 “Residential customer” means a residential ²customer of record
 26 of a² local authority ²[or] ² municipal utility ²[customer of
 27 record] , or rural electric cooperative,² or any residential tenant of a
 28 residence where the owner or any agent or other representative of
 29 the owner of the residence is a non-residential customer of record
 30 ²of the local authority, municipal utility, or rural electric
 31 cooperative².

32 “Utility emergency” means any condition constituting a potential
 33 danger to life, health, or property requiring a local authority or a
 34 municipal utility to ¹[immediately]¹ discontinue ¹[or] ¹ interrupt
 35 ¹, or maintain the discontinuation or interruption of¹ ²electric,²
 36 sewer or water service or that results in an unscheduled
 37 discontinuance or interruption in ²electric,² sewer or water service.

38

39 ²[³]⁴². a. Within ¹[⁶⁰]¹²⁰¹ days of the effective date of
 40 P.L. , c. (C.) (pending before the Legislature as this bill),
 41 the Department of Community Affairs shall establish a Winter
 42 ²[Sewer and Water]² Termination Program, which shall prohibit a
 43 local authority ²[or] ² municipal utility ², or rural electric
 44 cooperative² from discontinuing service during the period from
 45 November 15 through March 15, to a residential customer deemed
 46 qualified for program eligibility by the department. The program

1 shall reflect the provisions of the Winter Termination Program for
2 residential electric and gas public utility service, established by the
3 board and published in the New Jersey Administrative Code, as
4 appropriate for ²residential electric,² sewer and water service. The
5 program shall include:

6 b. ²~~in~~ ²In² addition to categorical eligibility for customers
7 receiving assistance under programs specified in the eligibility
8 criteria in the board's Winter Termination Program for residential
9 electric and gas service:

10 (1) categorical eligibility for any customer receiving assistance
11 under the Low Income Household Water Assistance Program
12 established pursuant to the Consolidated Appropriations Act of
13 2021, Pub.L. 116-260, or any other State or local program that
14 provides assistance specifically to help eligible customers pay
15 ²electric,² sewer or water bills;

16 (2) a process, in a form and manner to be determined by the
17 department, which allows a residential customer to self-certify an
18 inability to pay their local authority or municipal utility bill due to
19 circumstances beyond the customer's control, provided that the
20 circumstances shall include, but not be limited to, unemployment,
21 illness, medically related expenses, recent death of an immediate
22 family member, and any other circumstances that might cause
23 financial hardship; and

24 (3) a requirement that a local authority or municipal utility shall
25 maintain or reconnect ²electric, sewer, or² water service if a
26 residential customer ²of a local authority, municipal utility, or rural
27 electric cooperative² can ²~~prove~~ ²demonstrate, in a manner determined by
28 the department, that the customer has met the requirements
29 provided in paragraph (1) of this subsection or ²~~prove that they~~
30 ²have submitted an application for assistance under² the Low Income
31 Household Water Assistance Program established pursuant to the
32 Consolidated Appropriations Act of 2021, Pub.L. 116-260 or any
33 other State, local, or utility program that provides assistance or
34 discounted rates specifically to help eligible customers pay
35 ²electric,² sewer or water bills ², before such application has been
36 approved, denied, or withdrawn ¹, unless there is a utility
37 emergency¹. ²Upon request, the residential customer shall provide
38 the local authority, municipal utility, or rural electric cooperative
39 with an update on the status of the application.²

40
41 ²~~4~~ ²5². The department, in consultation with the Board of
42 Public Utilities, shall promulgate rules and regulations, pursuant to
43 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-
44 1 et seq.), to effectuate the purpose of sections ²~~2~~ ²3² and ²~~3~~ ²4²
45 of P.L. , c. (C.) (pending before the Legislature as this bill)

1 ²[5] 6². As used in sections ²[5] 6² through ²[7] 8² of P.L. ,
2 c. (C.) (pending before the Legislature as this bill):

3 “Board” means the Board of Public Utilities or any successor
4 agency.

5 “Public utility” means a public utility, as defined pursuant to
6 R.S.48:2-13, that provides electric, gas, sewer, or water service.

7 “Residential customer” means a residential ²customer of record
8 of a² public utility ²[customer of record]² or any residential tenant
9 of a residence where the owner or any agent or other representative
10 of the owner of the residence is a non-residential customer of record
11 ²of the public utility².

12 “Utility emergency” means any condition constituting a potential
13 danger to life, health, or property requiring a sewer or water public
14 utility to ¹[immediately]¹ discontinue ¹[or] ¹,¹ interrupt ¹, or
15 maintain the discontinuation or interruption of¹ sewer or water
16 service or that results in an unscheduled discontinuance or
17 interruption in sewer or water service.

18
19 ²[6.] 7² Within ¹[60] 120¹ days of the effective date of
20 P.L. , c. (C.) (pending before the Legislature as this bill),
21 the Board of Public Utilities shall include each sewer and water
22 public utility in the board’s Winter Termination Program as
23 established by the board pursuant to rules and regulations adopted
24 by the board and published in the New Jersey Administrative Code.
25 In addition to the inclusion of sewer and water public utilities, the
26 board shall establish within the Winter Termination Program:

27 a. categorical eligibility for any customer receiving assistance
28 under the Low Income Household Water Assistance Program
29 established pursuant to the Consolidated Appropriations Act of
30 2021, Pub.L. 116–260 or any other State, local, or utility program
31 that provides assistance specifically to help eligible customers pay
32 sewer or water bills;

33 b. a process, in a form and manner to be determined by the
34 board, which allows a residential customer to self-certify an
35 inability to pay their public utility bill due to circumstances beyond
36 the customer’s control, provided that the circumstances shall
37 include, but not be limited to, unemployment, illness, medically
38 related expenses, recent death of an immediate family member, and
39 any other circumstances that might cause financial hardship; and

40 c. a requirement that a water public utility shall maintain or
41 reconnect ¹[without charge]¹ water public utility service if ²[a] the
42 water public utility² residential customer can ²[demonstrate, in a
43 manner determined by the board, that the customer has met the
44 requirements provided in subsection a. of this section or the] prove
45 they have submitted an application for assistance under the² Low
46 Income Household Water Assistance Program established pursuant
47 to the Consolidated Appropriations Act of 2021, Pub.L. 116–260 or

1 any other State, local, or utility program that provides assistance or
2 discounted rates specifically to help eligible customers pay sewer or
3 water bills ², before such application has been approved, denied, or
4 withdrawn² ¹, unless there is a utility emergency¹. ²Upon request,
5 the residential customer shall provide the public utility with an
6 update on the status of the application.²
7

8 ²~~[7]~~ 8². The board shall promulgate rules and regulations,
9 pursuant to the "Administrative Procedure Act," P.L.1968, c.410
10 (C.52:14B-1 et seq.), to effectuate the purpose of sections ²~~[5]~~ 6²
11 and ²~~[6]~~ 7² of P.L. ,c. (C.) (pending before the Legislature
12 as this bill).
13

14 ²~~[8.]~~ 9.² This act shall take effect immediately.
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18

19 Prohibits certain utility discontinuances; establishes Winter
20 Termination Program; requires BPU to include sewer and water
21 public utilities in Winter Termination Program.