[First Reprint]

SENATE, No. 2325

STATE OF NEW JERSEY

219th LEGISLATURE

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Sponsored by:
Senator VIN GOPAL
District 11 (Monmouth)
Senator TROY SINGLETON
District 7 (Burlington)

Co-Sponsored by:
Senators Turner and Pou

SYNOPSIS

Prohibits utility service rate increases, penalties, and discontinuances to residential customers during certain public health emergencies.

CURRENT VERSION OF TEXT

As reported by the Senate Economic Growth Committee on November 16, 2020, with amendments.

(Sponsorship Updated As Of: 11/16/2020)

AN ACT concerning [1]**[**certain public**]**[1] utility service [1]rate increases, penalties, and[1] discontinuances to residential customers during certain [1]**[**epidemics**]** public health emergencies[1] and supplementing [1]Title 40A of the New Jersey Statutes and[1] Title 48 of the Revised Statutes.

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

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

"Local authority" means an authority, as defined in N.J.S.40A:5A-3, that provides electric, gas, sewer, or water service.

"Major public health emergency" means a health emergency that has resulted in the Governor declaring a public health emergency, pursuant to section 3 of P.L.2005, c.222 (C.26:13-3), and a state of emergency, pursuant to P.L.1942, c.251 (C.App.A:9-33 et seq.), within this State.

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

"Residential customer" means a residential local authority or municipal utility customer of record and, if known to the local authority or municipal utility, any residential tenant of a multifamily residence having two or more units where the owner of that residence is a non-residential customer of record.

"Utility emergency" means any condition constituting a potential danger to life, health, or property requiring a local authority or a municipal utility to immediately discontinue or interrupt electric, gas, sewer, or water service or that results in an unscheduled discontinuance or interruption in electric, gas, sewer, or water service.[1]

[1]2. a. Notwithstanding the provisions of any law, rule, regulation, or order to the contrary, except when a local authority or a municipal utility experiences a utility emergency, the local authority and municipal utility shall not: (1) increase any rate, fee, or similar charge for service rendered to a customer, or assess to a customer any late bill payment fee or similar charge, or any service restoration fee or similar charge; (2) place a lien on real property for the unpaid balance for any service charge; (3) include in its rate base any increase in those costs or expenses incurred by the local authority or municipal utility during a major public health emergency; or (4) discontinue service to a residential customer

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:
[1]Senate SEG committee amendments adopted November 16, 2020.

during a major public health emergency because of bill nonpayment during, and for 180 days following, a major public health emergency. A local authority and municipal utility shall resume service, as soon as practicable, during a major public health emergency, to any residential customer whose service was discontinued prior to the existence of, or during, a major public health emergency and who is located at, and still residing in, the same residence where the service was discontinued prior to, or during, the major public health emergency.

b. The provisions of subsection a. of this section shall no longer apply 180 days after the end of a declared major public health emergency.

c. A residential customer who does not pay in full a local authority bill or a municipal utility bill on or before the date the bill is due during a major public health emergency shall be liable for any bill payment balance for service rendered by the local authority or municipal utility 180 days following, a major public health emergency.

d. During, and for 180 days following, a major public health emergency, each local authority and municipal utility shall offer affordable bill payment plans, with no down payments and a minimum 24 month duration, to residential customers with overdue bill payment balances and provide those residential customers with information concerning their rights and any utility payment assistance programs for which they may qualify.[1]

[1]**[**1.**]** 3.[1] As used in [1]sections 3 and 4 of[1] P.L. , c. (C.) (pending before the Legislature as this bill):

[1]**[**"Epidemic" means an outbreak of a disease of unusual virulence characterized by very widespread growth or extent, which has a significant impact on this State, resulting in the Governor declaring a public health emergency and a state of emergency.

"Public health emergency" shall have the same meaning as provided in section 2 of P.L.2005, c.222 (C.26:13-2).**]**

"Major public health emergency" means a health emergency that has resulted in the Governor declaring a public health emergency, pursuant to section 3 of P.L.2005, c.222 (C.26:13-3), and a state of emergency, pursuant to P.L.1942, c.251 (C.App.A:9-33 et seq.), within this State.[1]

"Public utility" means a public utility, as defined in R.S.48:2-13, that provides electric, gas, [1]sewer,[1] or water service.

"Public utility emergency" means any condition constituting a potential danger to life, health, or property requiring a public utility to immediately discontinue or interrupt electric [1], gas, sewer,[1] or water service or that results in an unscheduled discontinuance or interruption in electric [1], gas, sewer,[1] or water service.

"Residential customer" means a residential public utility customer of record and, if known to the public utility, any residential tenant of a

multifamily residence having two or more units where the owner of that residence is a non-residential customer of record.

[1]**[**"State of emergency" means declaration of an emergency by the Governor pursuant to P.L.1942, c.251 (C.App.A:9-33 et seq.).**]**[1]

[1]**[**2.**]** 4.[1] a. Notwithstanding the provisions of any law, rule, regulation, or order to the contrary, except when a public utility experiences a public utility emergency, a public utility shall not [1]: (1) increase any rate, fee, or similar charge for service rendered to a customer, or assess to a customer any late bill payment fee or similar charge, or any service restoration fee or similar charge; (2) include in its rate base any increase in those costs or expenses incurred by the public utility during a major public health emergency; or (3)[1] discontinue service to a residential customer for public utility bill nonpayment during [1]**[**an epidemic**]** a major public health emergency because of bill nonpayment during, and for 180 days following, a major public health emergency[1]. A public utility shall resume service, as soon as practicable, during [1]**[**an epidemic**]** a major public health emergency[1], to any residential customer whose service was discontinued prior to the existence of [1]**[**an epidemic**]** , or during, a major public health emergency[1] and who is located at [1], and still residing in,[1] the same residence where the service was discontinued prior to [1], or during,[1] the [1]**[**epidemic**]** major public health emergency[1].

b. The provisions of subsection a. of this section shall no longer apply [1]**[**upon the Governor rescinding a declared public health emergency and a state of emergency in response to an epidemic that the Governor determines to be no longer in existence**]** 180 days after the end of a declared major public health emergency[1].

c. A residential customer who does not pay in full a public utility bill on or before the date the bill is due during [1]**[**an epidemic**]** a major public health emergency[1] shall be liable for any bill payment balance for service rendered by the public utility [1]**[**once the Governor determines that the epidemic no longer exists**]** 180 days following, a major public health emergency [1].

[1]d. During, and for 180 days following, a major public health emergency, each public utility shall offer affordable payment plans, with no down payments and a minimum 24 month duration, to residential customers with overdue bill payment balances and provide those residential customers with information concerning their rights and any utility payment assistance programs for which they may qualify.[1]

[1]**[**3.**]** 5.[1] This act shall take effect immediately.