

[First Reprint]

**SENATE, No. 2325**

---

# **STATE OF NEW JERSEY**

## **219th LEGISLATURE**

---

INTRODUCED APRIL 9, 2020

**Sponsored by:**

**Senator VIN GOPAL**

**District 11 (Monmouth)**

**Senator TROY SINGLETON**

**District 7 (Burlington)**

**Co-Sponsored by:**

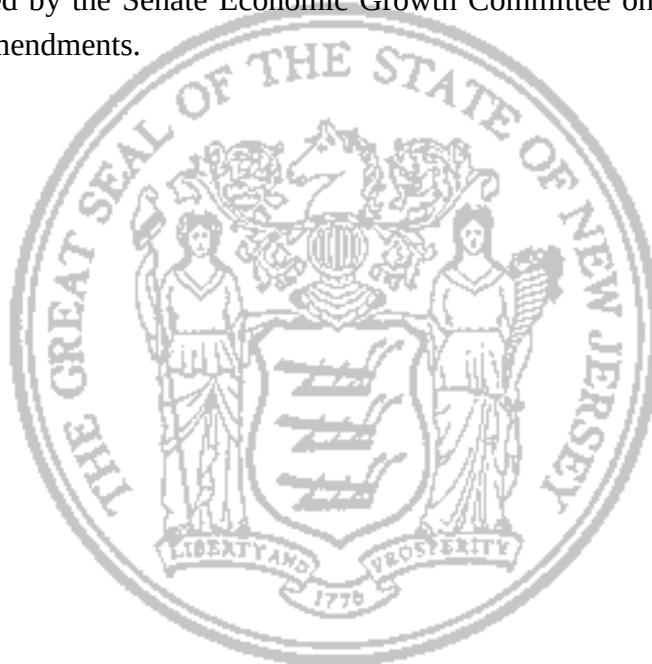
**Senators Turner and Pou**

### **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)**

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

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

9  
 10 <sup>1</sup>1. As used in sections 1 and 2 of P.L. , c. (C. )  
 11 (pending before the Legislature as this bill):

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

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

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

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

27 "Utility emergency" means any condition constituting a potential  
 28 danger to life, health, or property requiring a local authority or a  
 29 municipal utility to immediately discontinue or interrupt electric,  
 30 gas, sewer, or water service or that results in an unscheduled  
 31 discontinuance or interruption in electric, gas, sewer, or water  
 32 service.<sup>1</sup>

33  
 34 <sup>1</sup>2. a. Notwithstanding the provisions of any law, rule,  
 35 regulation, or order to the contrary, except when a local authority or  
 36 a municipal utility experiences a utility emergency, the local  
 37 authority and municipal utility shall not: (1) increase any rate, fee,  
 38 or similar charge for service rendered to a customer, or assess to a  
 39 customer any late bill payment fee or similar charge, or any service  
 40 restoration fee or similar charge; (2) place a lien on real property  
 41 for the unpaid balance for any service charge; (3) include in its rate  
 42 base any increase in those costs or expenses incurred by the local  
 43 authority or municipal utility during a major public health  
 44 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:

<sup>1</sup>Senate SEG committee amendments adopted November 16, 2020.

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

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

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

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

26  
27 <sup>1</sup>**[1.] 3.**<sup>1</sup> As used in <sup>1</sup>sections 3 and 4 of<sup>1</sup> P.L. , c. (C. )  
28 (pending before the Legislature as this bill):

29 <sup>1</sup>**[“Epidemic”** means an outbreak of a disease of unusual virulence  
30 characterized by very widespread growth or extent, which has a  
31 significant impact on this State, resulting in the Governor declaring a  
32 public health emergency and a state of emergency.

33 “Public health emergency” shall have the same meaning as  
34 provided in section 2 of P.L.2005, c.222 (C.26:13-2).<sup>1</sup>

35 “Major public health emergency” means a health emergency that  
36 has resulted in the Governor declaring a public health emergency,  
37 pursuant to section 3 of P.L.2005, c.222 (C.26:13-3), and a state of  
38 emergency, pursuant to P.L.1942, c.251 (C.App.A:9-33 et seq.), within  
39 this State.<sup>1</sup>

40 “Public utility” means a public utility, as defined in R.S.48:2-13,  
41 that provides electric, gas, <sup>1</sup>sewer,<sup>1</sup> or water service.

42 “Public utility emergency” means any condition constituting a  
43 potential danger to life, health, or property requiring a public utility to  
44 immediately discontinue or interrupt electric <sup>1</sup>, gas, sewer,<sup>1</sup> or water  
45 service or that results in an unscheduled discontinuance or interruption  
46 in electric <sup>1</sup>, gas, sewer,<sup>1</sup> or water service.

47 “Residential customer” means a residential public utility customer  
48 of record and, if known to the public utility, any residential tenant of a

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

3 <sup>1</sup>“State of emergency” means declaration of an emergency by the  
4 Governor pursuant to P.L.1942, c.251 (C.App.A:9-33 et seq.).<sup>1</sup>

5  
6 <sup>1</sup>**[2.] 4.**<sup>1</sup> a. Notwithstanding the provisions of any law, rule,  
7 regulation, or order to the contrary, except when a public utility  
8 experiences a public utility emergency, a public utility shall not <sup>1</sup>: (1)  
9 increase any rate, fee, or similar charge for service rendered to a  
10 customer, or assess to a customer any late bill payment fee or similar  
11 charge, or any service restoration fee or similar charge; (2) include in  
12 its rate base any increase in those costs or expenses incurred by the  
13 public utility during a major public health emergency; or (3)<sup>1</sup>  
14 discontinue service to a residential customer for public utility bill  
15 nonpayment during <sup>1</sup>**[an epidemic]** a major public health emergency  
16 because of bill nonpayment during, and for 180 days following, a  
17 major public health emergency<sup>1</sup>. A public utility shall resume service,  
18 as soon as practicable, during <sup>1</sup>**[an epidemic]** a major public health  
19 emergency<sup>1</sup>, to any residential customer whose service was  
20 discontinued prior to the existence of <sup>1</sup>**[an epidemic]** , or during, a  
21 major public health emergency<sup>1</sup> and who is located at <sup>1</sup>, and still  
22 residing in,<sup>1</sup> the same residence where the service was discontinued  
23 prior to <sup>1</sup>, or during,<sup>1</sup> the <sup>1</sup>**[epidemic]** major public health  
24 emergency<sup>1</sup>.

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

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

36 <sup>1</sup>**d.** During, and for 180 days following, a major public health  
37 emergency, each public utility shall offer affordable payment plans,  
38 with no down payments and a minimum 24 month duration, to  
39 residential customers with overdue bill payment balances and provide  
40 those residential customers with information concerning their rights  
41 and any utility payment assistance programs for which they may  
42 qualify.<sup>1</sup>

43  
44 <sup>1</sup>**[3.] 5.**<sup>1</sup> This act shall take effect immediately.