SENATE, No. 3047

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED OCTOBER 22, 2020

Sponsored by:
Senator LINDA R. GREENSTEIN
District 14 (Mercer and Middlesex)
Senator NICHOLAS P. SCUTARI
District 22 (Middlesex, Somerset and Union)

SYNOPSIS

Requires certain utilities to allow residential customers to satisfy outstanding balances over time.

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 2/9/2021)

AN ACT concerning service resumption and payment of outstanding amounts after discontinuance of certain utility service, and supplementing Title 40A of the New Jersey Statutes and Title 48 of the Revised Statutes.

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

1. a. Notwithstanding the provisions of any law, rule, regulation, or order to the contrary, a municipal public utility that resumes service to a residential customer, after having discontinued service to that customer for utility service bill nonpayment, shall allow the customer to make monthly payments to the utility, over a period of at least 12 months, to reduce any outstanding balance the customer owed to the utility for utility service provided prior to the utility service discontinuance. The amount due to the utility for the first six months of monthly outstanding payments shall be less than the amount due to the utility for the balance of monthly outstanding payments. Time periods under this section shall begin no earlier than the date of service resumption.

b. Nothing in subsection a. of this section shall otherwise effect a residential customer's liability to a municipal public utility for any other service rendered to the customer by the municipal public utility.

c. As used in this section:

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

2. a. Notwithstanding the provisions of any law, rule, regulation, or order to the contrary, a local public authority that resumes service to a residential customer, after having discontinued service to that customer for utility service bill nonpayment, shall allow the customer to make monthly payments to the utility, over a period of at least 12 months, to reduce any outstanding balance the customer owed to the authority for utility service provided prior to the utility service discontinuance. The amount due to the authority for the first six months of monthly outstanding payments shall be less than the amount due to the authority for the balance of monthly outstanding payments. Time periods under this section shall begin no earlier than the date of service resumption.

b. Nothing in subsection a. of this section shall otherwise effect a residential customer's liability to a local public authority for any other service rendered by the authority.

c. As used in this section:

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

3. a. Notwithstanding the provisions of any law, rule, regulation, or order to the contrary, a public utility that resumes service to a residential customer, after having discontinued service to that customer for utility service bill nonpayment, shall allow the customer to make monthly payments to the utility, over a period of at least 12 months, to reduce any outstanding balance the customer owed to the utility for utility service provided prior to the utility service discontinuance. The amount due to the utility for the first six months of monthly outstanding payments shall be less than the amount due to the utility for the balance of monthly outstanding payments. Time periods under this section shall begin no earlier than the date of service resumption.

b. Nothing in subsection a. of this section shall otherwise effect a residential customer's liability to a public utility for any service rendered by the public utility in accordance with the utility's tariff.

c. As used in this section:

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

"residential customer" or "customer" means a residential public utility customer of record.

4. This act shall take effect immediately.

STATEMENT

This bill would require utilities and authorities that provide electric, gas, sewer, or water service to residential customers, and which have discontinued service to a residential customer for nonpayment, to allow a customer to pay the outstanding balance owed prior to the discontinuance of service over a period of at least 12 months. The bill specifies that the payment of outstanding amounts would be structured so that the amount due during the first six months of monthly outstanding payments would be less than the amount due to for the balance of monthly outstanding payments. The bill would not impact a customer's liability for other service rendered by the utility or authority.