

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

P.L. 2022, CHAPTER 4, *approved March 25, 2022*  
Senate, No. 2356 (*Second Reprint*)

1 AN ACT concerning extended utility service protections for certain  
2 customers and amending P.L.2021, c.317 (C.40A:5A-28 et al.).  
3

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

7 1. Section 1 of P.L.2021, c.317 is amended to read as follows:

8 1. As used in sections 1 and 2 of P.L.2021, c.317:

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

13 “Municipal utility” means a municipal public utility, as defined  
14 in N.J.S.40A:1-1, or a joint meeting or regional service agency as  
15 defined in section 3 of P.L.2007, c.63 (C.40A:65-3), that provides  
16 electric, sewer, or water service.

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

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

25 “Submitted an application” means a residential customer has  
26 created an application via the online portal or telephone hotline  
27 operated by the Department of Community Affairs, or has  
28 submitted a paper application to the Department of Community  
29 Affairs or through a home energy assistance grantee agency. A  
30 residential customer who has submitted an application shall include  
31 those residential customers who have yet to provide, mail, or upload  
32 documents that are required in order for the application for the  
33 utility assistance program to be deemed complete.

**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 SLP committee amendments adopted March 21, 2022.

<sup>2</sup>Assembly floor amendments adopted March 24, 2022.

1       “Utility emergency” means any condition constituting a potential  
2 danger to life, health, or property that requires a local authority,  
3 municipal utility, or public utility to discontinue or interrupt the  
4 provision of electric, gas, sewer, or water service.

5  
6       2. Section 2 of P.L.2021, c.317 is amended to read as follows:

7       2. a. The provisions of Executive Order No. 246 of 2021  
8 concerning a grace period for residential customers of certain  
9 utilities, including paragraphs two through four, nine through 14, 16  
10 through 18, and 21, shall remain in effect for any local authority,  
11 municipal utility, and public utility that provides, sewer, or water  
12 service, and any municipal utility or rural electric cooperative that  
13 provides electric service, through March 15, 2022. Any residential  
14 customer sewer, or water service discontinuance, and any  
15 discontinuance of electric service to a residential customer of a  
16 municipal utility or rural electric cooperative occurring between the  
17 end of the grace period established pursuant to Executive Order No.  
18 246 of 2021 and the effective date of P.L.2021, c.317 (C.40A:5A-  
19 28 et al.) shall be nullified and service shall be restored  
20 immediately. Notwithstanding any other provisions of law, a local  
21 authority or municipal utility shall not place, sell, or enforce a lien  
22 on real property for the unpaid balance of any electric or water  
23 charges, or for the unpaid balance of any sewer charges not sold at  
24 tax sale as of January 1, 2022 or otherwise accrued to a lien that  
25 was struck off to a municipality or sold prior to January 1,  
26 2022, until after the expiration of the extended grace period  
27 pursuant to this section. The extended grace period provided for in  
28 this section shall expire on March 15, 2022.

29       b. Notwithstanding any other provisions of law, prior to  
30 discontinuing service to a residential customer, or placing, selling,  
31 or enforcing a lien on real property owned by a residential customer  
32 for the unpaid balance of any water charges accrued between the  
33 declaration of a public health emergency in Executive Order No.  
34 103 of 2020 and March 15, 2022, a local authority, municipal  
35 utility, or public utility shall offer the residential customer a utility  
36 service bill payment plan for the unpaid balance of any water  
37 charges accrued prior to March 15, 2022. The utility service bill  
38 payment plan shall have a minimum 12-month duration unless the  
39 residential customer requests a shorter payback period, and shall not  
40 require payment of a down payment, deposit, reconnection costs,  
41 interest, or penalties. The local authority, municipal utility, or  
42 public utility may offer residential customers a combined payment  
43 and payment forgiveness plan with a duration of less than 12  
44 months that involves forgiveness of at least 50 percent of the  
45 outstanding principal upon the consent of the residential  
46 customer. **[If]** Except as otherwise provided in subsection k. of this  
47 section, if a residential customer does not agree to a utility service  
48 bill payment plan pursuant to this subsection within 30 days of

1 being offered the plan by the local authority, municipal utility, or  
2 public utility, the local authority, municipal utility, or public utility  
3 may take appropriate enforcement action after March 15, 2022,  
4 including discontinuing service or placing, selling, or enforcing a  
5 lien, to the extent otherwise permitted by law.

6 c. Notwithstanding any other provisions of law, prior to  
7 discontinuing service to a residential customer, or placing, selling,  
8 or enforcing a lien on real property owned by a residential  
9 customer, for the unpaid balance of any electric charges accrued  
10 between the declaration of a public health emergency in Executive  
11 Order No. 103 of 2020 and March 15, 2022, a municipal electric  
12 utility or rural electric cooperative shall offer the residential  
13 customer a utility service bill payment plan for the unpaid balance  
14 of any electric charges accrued prior to March 15, 2022. The utility  
15 service bill payment plan shall have a minimum 12-month duration  
16 unless the residential customer requests a shorter payback period,  
17 and shall not require payment of a down payment, deposit,  
18 reconnection costs, interest, or penalties. The municipal electric  
19 utility or rural electric cooperative may offer residential customers a  
20 combined payment and payment forgiveness plan with a duration of  
21 less than 12 months that involves forgiveness of at least 50 percent  
22 of the outstanding principal upon the consent of the residential  
23 customer. **[If]** Except as otherwise provided in subsection k. of this  
24 section, if a residential customer does not agree to a utility service  
25 bill payment plan pursuant to this subsection within 30 days of  
26 being offered the plan by the municipal electric utility or rural  
27 electric cooperative, the municipal electric utility or rural electric  
28 cooperative may take appropriate enforcement action after March  
29 15, 2022, including discontinuing service or placing, selling, or  
30 enforcing a lien, to the extent otherwise permitted by law.

31 d. Notwithstanding any other provisions of law, prior to  
32 discontinuing service to a residential customer for the unpaid  
33 balance of any electric or gas charges accrued between the  
34 declaration of a public health emergency in Executive Order No.  
35 103 of 2020 and the expiration date of Executive Order No. 246 of  
36 2021, or in the case of a customer participating in the Winter  
37 Termination Program set forth in N.J.A.C.14:3-3A.5, any electric or  
38 gas charges accrued between the declaration of a public health  
39 emergency in Executive Order No. 103 of 2020 and March 15,  
40 2022, a public utility shall offer the residential customer a utility  
41 service bill payment plan for the unpaid balance of any electric or  
42 gas charges accrued prior to the expiration date of Executive Order  
43 No. 246 of 2021 or, in the case of a customer participating in the  
44 Winter Termination Program set forth in N.J.A.C.14:3-3A.5, any  
45 electric or gas charges accrued prior to March 15, 2022. The utility  
46 service bill payment plan shall have a minimum 12-month duration  
47 unless the residential customer requests a shorter payback period,  
48 and shall not require payment of a down payment, deposit,

1 reconnection costs, interest, or penalties. The public utility may  
2 offer residential customers a combined payment and payment  
3 forgiveness plan with a duration of less than 12 months that  
4 involves forgiveness of at least 50 percent of the outstanding  
5 principal upon the consent of the residential customer. **[If]** Except  
6 as otherwise provided in subsection k. of this section, if a  
7 residential customer does not agree to a utility service bill payment  
8 plan pursuant to this subsection within 30 days of being offered the  
9 plan by the public utility, the public utility may take appropriate  
10 enforcement action after the expiration of Executive Order 246 of  
11 2021 or for customers participating in the Winter Termination  
12 Program set forth in N.J.A.C.14:3-3A.5 after March 15, 2022,  
13 including discontinuing service, to the extent otherwise permitted  
14 by law.

15 e. Notwithstanding any other provisions of law, prior to  
16 discontinuing service to a residential customer, or placing, selling,  
17 or enforcing a lien on real property owned by a residential  
18 customer, for the unpaid balance of any sewer charges accrued  
19 between the declaration of a public health emergency in Executive  
20 Order No. 103 of 2020 and March 15, 2022 that had not been sold  
21 at tax sale as of January 1, 2022 or otherwise accrued to a lien that  
22 was struck off to a municipality or sold prior to January 1, 2022, a  
23 local authority, municipal utility, or public utility shall offer a  
24 residential customer a utility service bill payment plan for the  
25 unpaid balance of any sewer charges accrued **[between the**  
26 **declaration of a public health emergency in Executive Order No.**  
27 **103 of 2020 and]** prior to March 15, 2022. The utility service bill  
28 payment plan shall have a minimum 12-month duration unless the  
29 residential customer requests a shorter payback period, and shall not  
30 require a down payment, deposit, reconnection costs, interest, or  
31 penalties. The local authority, municipal utility, or public utility  
32 may offer residential customers a combined payment and payment  
33 forgiveness plan with a duration of less than 12 months that  
34 involves forgiveness of at least 50 percent of the outstanding  
35 principal upon the consent of the residential customer. **[If]** Except  
36 as otherwise provided in subsection k. of this section, if a  
37 residential sewer customer does not agree to a utility service bill  
38 payment plan within 30 days of being offered a plan by the local  
39 authority, municipal utility, or public utility, the local authority,  
40 municipal utility, or public utility may take appropriate enforcement  
41 action after March 15, 2022, to the extent otherwise permitted by  
42 law.

43 f. Utility service bill payment plans offered by municipal  
44 utilities and local authorities pursuant to subsections b., c., and e. of  
45 this section shall be subject to the provisions of R.S.54:5-19  
46 pertaining to installment agreements, except as otherwise provided  
47 in this section, and that a residential customer shall be offered a  
48 utility service bill payment plan for the payment of water, sewer, or

1 electric charges that became delinquent notwithstanding whether a  
2 parcel of property is already subject to an installment payment plan  
3 pursuant to law.

4 g. No local authority, municipal utility, or public utility shall  
5 collect any interest, fee, or charge from residential customers for  
6 late or otherwise untimely payments of water charges that accrued  
7 between the declaration of a public health emergency in Executive  
8 Order No. 103 of 2020 and March 15, 2022. A local authority,  
9 municipality utility, or public utility may charge and collect fees,  
10 interest, and penalties for delinquent water charges that accrued  
11 prior to the declaration of a public health emergency in Executive  
12 Order No. 103 of 2020 and after March 15, 2022, as permitted by  
13 law.

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

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

38 j. No local authority, municipal utility, or public utility shall  
39 collect any interest, fee, or charge for late or otherwise untimely  
40 payments of sewer charges that accrued between January 1, 2022  
41 and March 15, 2022, or that accrued between the declaration of a  
42 public health emergency in Executive Order No. 103 of 2020 and  
43 December 31, 2021 and had not been sold at tax sale as of January  
44 1, 2022 or otherwise accrued to a lien that was struck off to a  
45 municipality or sold prior to January 1, 2022. A local authority,  
46 municipality utility, or public utility may charge and collect fees,  
47 interest and penalties for delinquent sewer charges that accrued  
48 prior to the declaration of a public health emergency in Executive

1 Order No. 103 of 2020 and after March 15, 2022, as permitted by  
2 law.

3 k. (1) For a residential customer who, prior to June 15, 2022,  
4 has submitted an application to a State agency for utility assistance  
5 from the “Universal Service Fund,” established pursuant to section  
6 12 of P.L.1999, c.23 (C.48:3-60), the “Low Income Home Energy  
7 Assistance Program,” established pursuant to 42 U.S.C. s.8621 et  
8 seq., the “Low Income Household Water Assistance Program,”  
9 established pursuant to the Consolidated Appropriations Act of  
10 2021, Pub.L.116-260, or any other utility assistance program  
11 administered by the State, but the residential customer has not  
12 received an application determination from the appropriate State  
13 agency, any local authority, municipal utility, public utility, or rural  
14 electric cooperative within the residential customer’s service  
15 territory shall continue to provide electric, gas, sewer, or water  
16 service to the residential customer for 60 days after the customer  
17 has submitted an application. If the customer completes the  
18 application, the local authority, municipal utility, public utility, or  
19 rural electric cooperative shall continue to provide electric, gas,  
20 sewer, or water service to the residential customer until such time as  
21 the application is approved or rejected by the appropriate State  
22 agency. Any discontinuance occurring to a residential customer  
23 described in this paragraph between the end of the extended grace  
24 period established pursuant to the effective date of P.L.2021, c.317  
25 (C.40A:5A-28 et al.) and before the effective date of P.L. ,  
26 c. (C. ) (pending before the Legislature as this bill) shall be  
27 nullified and service shall be restored immediately.

28 (2) Notwithstanding any other provisions of law, when a  
29 residential customer has, prior to June 15, 2022, submitted an  
30 application to a State agency for utility assistance pursuant to  
31 paragraph (1) of this subsection, a local authority or municipal  
32 utility shall not place, sell, or enforce a lien on real property owned  
33 by a residential customer for the unpaid balance of any electric or  
34 water charges, or for the unpaid balance of any sewer charges not  
35 sold at tax sale, or otherwise accrued to a lien that was struck off to  
36 a municipality, or sold prior to January 1, 2022, until 60 days after  
37 the customer has submitted an application, or, if the application is  
38 completed, until such time as the application is approved or rejected  
39 by the appropriate State agency. If a residential customer has  
40 appealed a State agency’s denial of a utility assistance program  
41 application, a municipality or local authority shall delay placing,  
42 selling, or enforcing a lien for the unpaid balance of water, sewer,  
43 or electric charges pending conclusion of administrative review by  
44 the State agency.

45 (3) Upon the termination of the protection from discontinuation  
46 of service afforded to a residential customer pursuant paragraph (1)  
47 of this subsection, the local authority, municipal utility, public  
48 utility, or rural electric cooperative shall offer the residential

1 customer a utility service bill payment plan that conforms to the  
2 requirements of subsections b., c., d., or e. of this section, as  
3 applicable, except that such payment plan shall also include the  
4 unpaid balance of any electric, gas, sewer, or water charges accrued  
5 between March 15, 2022 and the termination of the protection from  
6 discontinuation of service afforded pursuant to paragraph (1) of this  
7 subsection. If the residential customer does not agree to a utility  
8 service bill payment plan within 30 days of being offered a plan  
9 pursuant to this paragraph, the local authority, municipal utility,  
10 public utility, or rural electric cooperative may take appropriate  
11 enforcement action, including discontinuing service or placing,  
12 selling, or enforcing a lien, to the extent otherwise permitted by  
13 law.

14 (4) Within two weeks of the effective date of  
15 P.L. , c. (C. ) (pending before the Legislature as this bill),  
16 and on a bi-weekly basis thereafter, the Department of Community  
17 Affairs, Department of Human Services, Board of Public Utilities,  
18 or any other State agency that administers a utility assistance  
19 program, shall provide written notice to each local authority,  
20 municipal utility, public utility, and rural electric cooperative that  
21 provides electric, gas, sewer, or water service within the residential  
22 customer's service territory, which notice shall indicate:

23 (a) the name <sup>1</sup>**[and]** ,<sup>1</sup> address <sup>1</sup>, and utility account number<sup>1</sup> of  
24 each residential customer that has submitted an application or  
25 completed an application to a utility assistance program pursuant to  
26 paragraph (1) of this subsection; and

27 (b) the protections set forth in paragraphs (1) and (2) of this  
28 subsection, which prohibit the discontinuance of any utility service  
29 to that residential customer and the placing, selling, or enforcing of  
30 a lien on real property owned by a residential customer until the  
31 State agency determines the residential customer's application.

32 (5) Within 90 days of receiving a completed application for  
33 utility assistance from a residential customer, the Department of  
34 Community Affairs, Department of Human Services, Board of  
35 Public Utilities, or any other State agency that administers a utility  
36 assistance program shall provide approval or rejection of the  
37 application to the residential customer via <sup>2</sup>**[certified and]**<sup>2</sup> regular  
38 mail and, if applicable, the online portal in which the residential  
39 customer applied for the utility assistance program.

40 <sup>1</sup>(a) Upon receipt of a completed application, the Department of  
41 Community Affairs shall consider whether the residential customer  
42 is eligible for any utility assistance programs administered by the  
43 department when making an application determination. If the  
44 residential customer is eligible for participation in the Payment  
45 Assistance for Gas and Electric program, the Department of  
46 Community Affairs shall refer the application to the Affordable  
47 Housing Alliance, which administers the program, for review and  
48 determination.

1       (b) The notice provided to the residential customer pursuant to  
2 this paragraph shall include information concerning the availability  
3 of the utility bill service payment plans established pursuant to  
4 paragraph (3) of this subsection.<sup>1</sup>

5       (6) Within <sup>2</sup>~~three~~ <sup>2</sup>seven<sup>2</sup> business days of approving or  
6 rejecting a residential customer's application for a utility assistance  
7 program, the State agency that administers the utility assistance  
8 program shall provide a notice of determination to each local  
9 authority, municipal utility, public utility, and rural electric  
10 cooperative that provides electric, gas, sewer, or water service  
11 within the residential customer's service territory. In addition to  
12 any other information that the State agency may deem appropriate,  
13 the written notice shall indicate:

14       (a) the name <sup>1</sup>~~and~~ <sup>1</sup>address <sup>1</sup>, and utility account number<sup>1</sup> of  
15 the residential customer who applied for the utility assistance  
16 program;

17       (b) the decision made on the application and the amount of  
18 assistance that will be provided to the residential customer; and

19       (c) the termination of the protections set forth in paragraphs (1)  
20 and (2) of this subsection.

21       (7) A local authority, municipal utility, public utility, or rural  
22 electric cooperative shall not be deemed to violate the provisions of  
23 this subsection if:

24       (a) the State agency failed to provide notice to the local  
25 authority, municipal utility, public utility, or rural electric  
26 cooperative pursuant to paragraph (4) of this subsection and the  
27 customer has not notified the local authority, municipal utility,  
28 public utility, or rural electric cooperative of the submitted  
29 application; or

30       (b) the local authority, municipal utility, public utility, or rural  
31 electric cooperative determines, in good faith, that a utility  
32 emergency requires the discontinuance or interruption of electric,  
33 gas, sewer, or water service.

34       (8) Residential customers of a municipal utility or local  
35 authority providing water or electric service shall have the interest  
36 on unpaid delinquent water or electric charges calculated as  
37 follows, with such calculations also to be used when calculating a  
38 tax sale lien redemption:

39       (a) unpaid charges delinquent prior to March 9, 2020 shall have  
40 interest calculated from either the due date or last date of payment  
41 to March 9, 2020, and from March 16, 2022 until the date of  
42 payment. No interest shall be calculated from March 9, 2020  
43 through March 15, 2022; and

44       (b) unpaid charges delinquent from March 9, 2020 through  
45 March 15, 2022 shall have interest calculated from March 16, 2022  
46 to the date of payment.

47       (9) Residential customers of a municipal utility or local  
48 authority providing sewer service shall have the interest on unpaid



1 sewer charges delinquent as of March 15, 2022 calculated from  
2 March 16, 2022 to the date of payment.

3 (10) Redemptions of sewer liens that prior to January 1, 2022  
4 were sold, accrued to a lien as a subsequent payment, or struck off  
5 to a municipality shall have interest calculated from the date of tax  
6 sale or the date of the subsequent payment to December 31, 2021,  
7 and from March 16, 2022 to the date of redemption. No interest  
8 shall be calculated from January 1, 2022 to March 15, 2022.

9 (11) Interest, late fees and penalties may be waived for  
10 residential customers of municipal utilities or local authorities  
11 providing water, sewer, or electric service to the extent necessary  
12 for compliance with utility assistance program requirements.

13 (cf: P.L.2021, c.317, s.2)

14

15 3. (New section) a. Upon the effective date of P.L. ,  
16 c. (C. )(pending before the Legislature as this bill), the  
17 Department of Community Affairs, Department of Human Services,  
18 Board of Public Utilities, and any other State agency that  
19 administers a utility assistance program shall update all public  
20 information, including written materials, advertisements, and  
21 websites, regarding the availability of the Winter Termination  
22 Program set forth in N.J.A.C.14:3-3A.5, utility assistance from the  
23 “Universal Service Fund,” established pursuant to section 12 of  
24 P.L.1999, c.23 (C.48:3-60), the “Low Income Home Energy  
25 Assistance Program,” established pursuant to 42 U.S.C. s.8621 et  
26 seq., the “Low Income Household Water Assistance Program,”  
27 established pursuant to the Consolidated Appropriations Act of  
28 2021, Pub.L.116-260, or any other utility assistance program  
29 administered by the State.

30 The public information shall prominently include a statement of  
31 the consumer protections residential customers shall receive if the  
32 customer has submitted an application for a utility assistance  
33 program or completed an application for a utility assistance  
34 program.

35 b. Each local authority, municipal utility, public utility, or rural  
36 electric cooperative shall provide the information in subsection a. of  
37 this subsection in any communication to a residential customer in  
38 connection with an overdue utility bill.

39

40 4. This act shall take effect immediately and shall be  
41 retroactive to March 15, 2022.

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46 Extends prohibition on certain utility discontinuances for certain  
47 customers.