

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4126

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 11, 2020

The Assembly Appropriations Committee reports favorably Assembly Bill No. 3945, with committee amendments.

As amended by the committee, this bill would permit local units and authorities to waive interest and lien enforcement for certain delinquent water and sewer utility payments during emergency circumstances.

Whenever the Governor declares a public health emergency or a state of emergency, or both, this bill would authorize that, for the duration of one or both of the emergency declarations and for a period up to 90 days thereafter, a sewerage authority, a county or municipal utilities authority, or a county or municipality responsible for the administration of a sewerage or water utility may, in its discretion, refrain from any combination of the following actions:

- (1) charging interest on a delinquent payment;
- (2) placing a lien on a parcel of real property for the unpaid balance for any service charge and all interest accruing thereon; or
- (3) as applicable, discontinuing the service of any property for the failure to pay any amount owing.

The bill requires that the discretionary authority provided to local units and authorities would be applied consistently to all properties, or to all properties of the same use type or other appropriate category. In order for the discretionary authority provided by the bill to be available, the emergency would have to emerge in response to a flood, hurricane, superstorm, tornado, natural or other disaster, or public health emergency.

The bill would take effect immediately and would be retroactive to March 9, 2020.

COMMITTEE AMENDMENTS:

The committee amended the bill to provide that, the discretionary authority that the bill offers to other utility providers regarding the charging of interest, the placement of a lien for nonpayment, and discontinuance of service, would also be given to any municipality that owns and operates its water and sewer systems as one utility or that furnishes a supply of water or sewerage service, or both, to the inhabitants of another municipality.

FISCAL IMPACT:

This bill is not certified as requiring a fiscal note.