

# SENATE ECONOMIC GROWTH COMMITTEE

## STATEMENT TO

### **SENATE, No. 4081**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: DECEMBER 9, 2021

The Senate Economic Growth Committee reports favorably and with committee amendments Senate Bill No. 4081.

As amended and reported, this bill provides that the provisions of Executive Order No. 246 of 2021 concerning a grace period for residential customers of certain utilities are to remain in effect for any local authority, municipal utility, and public utility that provides sewer or water service through March 15, 2022. Any residential customer sewer or water service discontinuance occurring between the termination date of the grace period established pursuant to the executive order and the effective date of this bill are to be nullified and service is to be restored immediately. The extended grace period is to expire on March 15, 2022. The bill also provides that prior to discontinuing service to a residential customer, or placing, selling, or enforcing a lien on real property owned by a residential customer, for the unpaid balance of any electric, gas, or water charges accrued between the declaration of a public health emergency in Executive Order No. 103 of 2020 and the expiration date of the extended grace period established by the bill, a local authority, municipal utility, or public utility is required to offer to residential customers utility service bill payment plans for the unpaid balance of any water or electric charges accrued between the declaration of a public health emergency in Executive Order No. 103 of 2020 and the expiration date of the extended grace period established in the bill.

The bill requires a local authority, municipal authority, or public utility to offer utility service bill payment plans for the unpaid balance of any sewer charges accrued between January 1, 2022 and the expiration date of the extended grace period established by the bill, before discontinuing service.

This bill directs the Department of Community Affairs (DCA) to establish a Winter Sewer and Water Termination Program, which is to prohibit a local authority or municipal utility providing sewer or water service from discontinuing service during the period from November 15 through March 15, for residential customers. The program is to reflect the provisions of the Winter Termination Program (WTP) for residential electric and gas public utility

service, established by the Board of Public Utilities (BPU), as appropriate for sewer and water service. The program is to include additional requirements as enumerated in the bill.

The bill requires the BPU to apply the provisions of the BPU-established WTP to sewer and water public utilities, in addition to electric and gas public utilities. The bill requires the BPU to make certain additions to the provisions of the WTP as enumerated in the bill.

The committee amended the bill to expand the definition of “utility emergency” to include maintaining sewer and water discontinuations or interruptions. The amendments also delete “without charge” from the requirement that a water utility is to reconnect service under certain circumstances. The amendments also require the DCA to establish the Winter Sewer and Water Termination Program within 120 days of the effective date of the bill, instead of 60 days. The amendments also require the BPU to include each sewer and water public utility in the WTP within 120 days of the effective date of the bill, instead of 60 days. The amendments extend the grace period provided to residential customers for payment of sewer and water utilities to include certain municipal utilities. The amendments also require certain public utilities to offer payment plans to residential customers under certain circumstances.