

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 4081

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 16, 2021

The Senate Budget and Appropriations Committee reports favorably and with committee amendments Senate Bill No. 4081 (1R).

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 certain electric, gas, sewer, or water service through March 15, 2022, as provided for in the bill. Certain residential electric, sewer, or water service discontinuances 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, in certain circumstances, enforcing a lien on real property owned by a residential customer, for the unpaid balance of certain electric, gas, sewer, or water charges accrued between the declaration of a public health emergency in Executive Order No. 103 of 2020 and March 15, 2022, a local authority, municipal utility, rural electric cooperative, or public utility is required to offer to the residential customer a bill payment plan for the unpaid balance of certain utility charges accrued during certain periods prior to March 15, 2022.

This bill directs the Department of Community Affairs (DCA) to establish a Winter Termination Program (DCA WTP), which is to prohibit a local authority, municipal utility, or rural electric cooperative providing electric, sewer, or water service from discontinuing service during the period from November 15 through March 15, for residential customers. The DCA WTP 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 electric, sewer, and water service offered by local authorities, municipal utilities, or rural electric cooperatives. The program is to include additional requirements as enumerated in the bill.

The bill requires the BPU to apply the provisions of the BPU 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 BPU WTP as enumerated in the bill.

COMMITTEE AMENDMENTS:

The committee amended the bill to require certain local authorities, municipal utilities, rural electric cooperatives, and public utilities to offer utility service bill payment plans for the unpaid balance of certain utility charges accrued during the extended periods established by the bill, before discontinuing service.

The amendments provide that, before taking certain action for certain unpaid sewer charges, a local authority, municipal utility, or public utility is required to offer a residential customer a utility service bill payment plan for the unpaid balance of any sewer charges accrued between the declaration of the public health emergency and March 15, 2022, instead of charges accrued between January 1, 2022 and March 15, 2022.

The amendments remove provisions providing that a residential customer is deemed to have waived the right to enter into a utility service bill payment plan if the customer does not agree to a utility service bill payment plan within a certain timeframe.

The amendments change the name of the Winter Sewer and Water Termination Program established by the DCA to the Winter Termination Program. The amendments expand the provision of the DCA established WTP to include certain electric utilities. The amendments require local authorities, municipal utilities, and public utilities, under the DCA WTP and the expanded BPU WTP, to maintain or reconnect electric, sewer, or water service, as applicable, if a residential customer can prove that the customer has submitted an application for assistance under certain programs enumerated in the bill before the application has been approved, denied, or withdrawn. The amendments also remove a provision requiring these entities to maintain or reconnect services if a residential customer can demonstrate that the customer has met the requirements under certain programs enumerated in the bill. The amendments require a residential customer to provide an update on the status of the application for these programs when requested to do so.

Finally, the amendments change the title and synopsis to reflect the bill's applicability to additional utilities beyond water and sewer utilities exclusively.

FISCAL IMPACT:

Fiscal information is currently unavailable for this bill.