



**LFN 2022-11**

**April 29, 2022**

# Local Finance Notice

Philip D. Murphy  
Governor

Lt. Governor Sheila Y. Oliver  
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Jacquelyn A. Suárez  
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## Contact Information

### Director's Office

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### Mail and Delivery

101 South Broad St.  
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[www.nj.gov/dca/divisions/dlgs](http://www.nj.gov/dca/divisions/dlgs)

E-mail: [dlgs@dca.nj.gov](mailto:dlgs@dca.nj.gov)

## Distribution

Administrators/Managers  
Chief Financial Officers  
Tax Collectors  
Municipal Clerks  
MUA Officials  
Sewerage Auth. Officials  
Auditors

## Treatment of Residential Water, Sewer & Electric Arrearages; Residential Ratepayer Assistance

Although the moratorium on shutoffs for, or enforcement of liens on, unpaid water, sewer, and electric charges by residential customers expired on March 15th, [P.L. 2022, c. 4](#) extends this moratorium for those residential customers who apply for a state-administered utility assistance program prior to June 15, 2022. This Notice supersedes Local Finance Notices 2021-22 and 2022-09, which are hereby repealed.

[P.L. 2021, c. 317](#) and P.L. 2022, c. 4 together establish various relief measures for residential customers of local government water, sewer, and electric service. As used in this Notice, the terms “residential customer” and “residential ratepayer” mean a residential customer of record, or any residential tenant of a residence where the owner or any agent or other representative of the owner of the residence is a non-residential customer of record. Both laws apply to water, sewer, or electric service provided by a municipality, local authority, or another local unit such as, but not limited to, a joint meeting or a water district, that directly bill customers. County and regional utilities authorities that directly bill customers are also considered local authorities to whom the above laws apply.

### A. Delay in Enforcing Unpaid Charges Pending Application for Utility Assistance

Before shutting off, or enforcing a lien against, a residential customer for any unpaid open water, sewer, and/or electric charges (not just those accrued between March 9, 2020 and March 15, 2022), [P.L. 2022, c. 4](#) requires local units to place such actions on hold for up to 60 days if, prior to June 15, 2022, the residential customer submits a utility assistance application for a State-administrated program. If, after submitting the utility assistance application, the residential customer proceeds to complete the application, the local unit must hold off on enforcement until such time as the application is approved or rejected by the state agency.

If a residential customer appeals a state agency's denial of a utility assistance program application, a local unit is prohibited from enforcing a lien for unpaid water, sewer, or electric charges pending conclusion of the state agency's administrative review. Local units are also encouraged to refrain from shutting off residential customers for enforcement purposes during an administrative review.

**The Division strongly recommends that local units providing water, sewer, and/or electric service refrain from taking any enforcement action against residential customers, including allowing existing lienholders to satisfy the unpaid open charges of residential ratepayers as subsequent payments, until after June 15<sup>th</sup>.** Residential customer applicants that had been shut off prior to their application being filed must have their service restored. This extended moratorium on shutoffs does not apply to a shutoff required to address a condition constituting a potential danger to life, health, or property. The utility assistance program shall be related to the service for which there are unpaid charges. P.L. 2022, c. 4 does not affect a municipality's ability to enforce liens on unpaid delinquent property taxes.

When the landlord of a building with one or more residential units receives a bill for water, sewer, or electric service, but the landlord does not reside in the building, liens for unpaid charges may be enforced without further delay. In these instances, to avoid impacting residential tenants, local units should refrain from shutting off service to the building as a means of enforcement.

P.L. 2022, c. 4 now requires any direct communications to a residential ratepayer regarding unpaid delinquent water, sewer, and/or electric charges to include links to reference information on state-administered utility assistance programs relevant to the unpaid charge at issue, along with the hold placed on enforcement actions pending application determinations. The local unit can utilize language from the model ratepayer notice in Appendix B.

For water and sewer, the relevant state-administered utility assistance program is the Department of Community Affairs' Low Income Household Water Assistance Program (LIHWAP). LIHWAP has been established to assist low-income households who have arrears for drinking water and/or sewer services, providing a benefit of up to \$1,500 per household. Since the average arrearage amount per household is currently \$1,250, DCA anticipates most households assisted by the program will have their arrears fully paid by the program. The model residential ratepayer notice in Appendix B contains further information on LIHWAP, which can also be referenced in individual communications with residential ratepayers in arrears.

DCA is required to establish LIHWAP vendor agreements with water and wastewater providers. Program benefits are administered through vendor agreements because LIHWAP funds cannot be paid directly to eligible households. A municipality, or, municipal utilities authority, sewerage authority or other local unit that directly bills residential customers, must execute the vendor agreement to allow DCA to make payments to the local unit on behalf of its residential customers. A residential customer applicant is entitled to the statutory stay in enforcement regardless of whether the municipality or local authority signs the underlying vendor agreement.

Please contact Fidel Ekhehar at [Fidel.Ekhehar@dca.nj.gov](mailto:Fidel.Ekhehar@dca.nj.gov) to execute the LIHWAP vendor agreement and customer information sharing agreement, both of which need to be executed as

soon as possible, or with any [LIHWAP program](#) questions. Both LIHWAP agreements are available on the Division's Miscellaneous Publications webpage under the heading "COVID-19 Utility Ratepayer Assistance." The local unit must provide, monthly, a customer list to DCA that includes names, addresses, account numbers, current balances of all customers in arrears, and must supply current balances for customers who have applied and been found eligible for LIHWAP assistance.

In municipalities that provide electric service, residential customers in arrears can apply for DCA's [American Rescue Plan \(ARP\) Utility Debt Relief Program](#) or [Low-Income Household Energy Assistance Program \(LIHEAP\)](#).

On a bi-weekly basis, the Department of Community Affairs, Department of Human Services, Board of Public Utilities, or any other state agency that administers a utility assistance program, shall provide written notice to each local government and private utility that provides electric, gas, sewer, or water service which shall indicate the name and address of each residential customer that has submitted or completed an application to a utility assistance program. Local units should encourage residential customers to notify them immediately of any application submitted for utility bill assistance, as applicable to the service provided by the local unit.

Within 90 days of receiving a completed application for utility assistance from a residential customer, the state agency shall provide approval or rejection of the application to the residential customer via regular mail and, if applicable, the online portal in which the resident applied for the utility assistance program. Within seven (7) business days of approving or rejecting a residential customer's application for a utility assistance program, the state agency that administers the program shall provide a notice of determination to each local government or utility that will indicate 1) the name, address, and utility account number of the residential customer who applied for the utility assistance program; (2) the decision made on the application and the amount of assistance that will be provided to the residential customer; and (3) the termination of the protections against service shutoff and lien enforcement. However, if a residential customer has appealed a state agency's denial of a utility assistance program application, a municipality or local authority shall further delay enforcing a lien for the unpaid balance of water, sewer, or electric charges, as applicable, pending conclusion of administrative review by the state agency. A local government or utility shall not be deemed to violate the law for shutting off service or enforcing a lien if the state agency failed to provide notice that a residential customer had an application pending and the customer has not notified the local government or utility of the submitted application; or if it is determined, in good faith, that a potential danger to life, health, or property requires the discontinuance or interruption of service.

Upon conclusion of the extended moratorium period, the residential ratepayer must be offered an installment plan for the balance of unpaid charges accrued up to that point, with the residential ratepayer having 30 days to agree to the plan. If an applicant receives assistance from a state-administered utility assistance program but unpaid charges remain after the assistance is applied, an installment plan must be offered on the remaining balance of the unpaid charges. Installment plans are discussed further in Section C. If a residential customer does not agree to an installment plan within 30 days of being offered a plan, enforcement action can be taken including shutoff and selling the lien at tax sale.

### B. Calculation of Interest on Unpaid Charges; Late Fees and Penalties

A local unit cannot collect any interest, fee, or charge for late, or otherwise untimely, payment of unpaid, open water, sewer, and electric balances that accrued between March 9, 2020 and March 15, 2022. This prohibition includes the year-end penalty; however, municipalities can include the per-parcel fee allowed under N.J.S.A. 54:5-38 for offsetting the cost of holding the tax sale.

A local unit shall calculate the interest on unpaid delinquent water, sewer, or electric charges, along with tax sale lien redemptions on same, as follows when a residential ratepayer has not applied for utility assistance from a state-administered program and has not accepted an installment plan offered by the local unit:

<b>Unpaid Charges - Water and Electric (inc. tax sale lien redemptions)</b>	
Delinquent prior to 3/9/20	Interest is calculated from due date or last date of payment to 3/9/2020 and then from 3/16/2022 to date of payment
Delinquent between 3/9/20 and 3/15/22	Interest is calculated from 3/16/2022 to date of payment
Delinquent after 3/15/22	Interest is calculated from 3/16/22 to date of payment

Interest on unpaid delinquent sewer liens, along with tax sale redemptions on same, shall be calculated as follows when a residential ratepayer has not applied for utility assistance from a state-administered program and has not accepted an installment plan offered by the local unit:

<b>Unpaid Charges - Sewer (Not Sold or Struck Off prior to 1/1/22)</b>	
Delinquent prior to 3/9/20	Interest is calculated from due date or last date of payment to 3/9/2020 and then from 3/16/2022 to date of payment
Delinquent between 3/9/20 and 3/15/22	Interest is calculated from 3/16/2022 to date of payment
Delinquent after 3/15/22	Interest is calculated from 3/16/22 to date of payment
<b>Tax Sale Lien Redemptions - Sewer</b>	
Tax Sale certificate sold, or accrued to lien as a subsequent payment, prior to 12/31/2021	Interest is calculated from due date or last date of payment to 12/31/2021, and then from 3/16/2022 to date of payment

A local unit cannot collect any interest, fee, or charge for late, or otherwise untimely, payment of unpaid, open sewer balances of residential ratepayers that accrued between March 9, 2020 and

March 15, 2022. This prohibition applies to unpaid sewer balances that as of January 1, 2022 had not been sold at tax sale, accrued to a lien as a subsequent payment, or struck off to the municipality. Sewer liens are treated differently than liens for unpaid water and electric charges (or combined water/sewer charges that could not be separated for enforcement purposes) because the original Executive Orders issued during the public health emergency only applied to enforcement of liens on unpaid water and electric charges.

If a local unit charged a residential ratepayer interest and penalties for unpaid open balances that accrued between March 9, 2020 and March 15, 2022, and the residential ratepayer has already paid the interest and penalties charged, the local unit is encouraged to consult with its attorney on how this should be handled.

A local unit is authorized to waive interest, late fees, and penalties for residential customers to the extent necessary for compliance with utility assistance program requirements.

### **C. Installment Plans for Water, Sewer, & Electric Arrears**

Before enforcing unpaid open water, sewer, or electric charges accrued prior to March 15, 2022, or allowing an existing tax lien owner to satisfy such arrearages as a subsequent payment, the law now requires a local unit to offer a residential ratepayer the opportunity to enter into an installment plan for satisfying the unpaid balance of charges accruing prior to March 15, 2022. The local unit shall send each residential ratepayer with such arrearages written notification of the installment plan opportunity, which needs to be accompanied by the specific amount owed and the monthly payment. If a residential ratepayer has applied for utility assistance from a state-administered program, the installment plan must also include the unpaid balance of charges accrued between March 15, 2022 and the termination of the protections against service shutoff and lien enforcement.

Delinquent sewer charges accruing between March 9, 2020 and December 31, 2021 that had been sold at tax sale by January 1, 2022, or accrued to a lien that was struck off to a municipality prior to January 1, 2022, or a subsequent accrued to a lien sold prior to January 1, 2022, were not affected by P.L. 2021, c. 317.

The mandatory installment plan shall have a minimum 12-month duration, unless the residential customer requests a shorter payback period, and cannot require the residential customer to pay a down payment, deposit, reconnection costs, or interest or penalties on the unpaid balance. However, interest accruing between March 15, 2022 and the first day of the month beginning the payment plan needs to be included in the calculation of the payment plan. As stated previously, a local unit may be obligated to waive interest on unpaid charges delinquent prior to March 9, 2020 and after March 15, 2022 as part of a utility assistance program such as LIHWAP. Notwithstanding N.J.S.A. 54:5-19 to the contrary, a governing body resolution is not a prerequisite for offering the 12-month installment plan, as the plan is required by law, and a plan must be offered even if another installment plan already exists on the property for property taxes, local assessments, or other municipal charges.

Residential customers may be offered a more generous installment plan with a length of greater than 12 months but not exceeding five (5) years, or a combined installment and payment forgiveness plan that may be less than 12 months in duration if it includes forgiveness of at least 50 percent of the outstanding arrearages. Installment plans greater than the 12 months required under law, or plans of less than 12 months but forgiving at least 50 percent of a residential ratepayer's outstanding arrearages for the above-referenced period, must be authorized by governing body resolution either 1) on a case-by-case basis, or 2) as a resolution either directing a responsible official to offer such plans to residential ratepayers, or granting them the discretion to do so. In the case of a municipality this should be the tax collector or a designated collector of the relevant charges. Interest accruing between March 15, 2022 and the first day of the month beginning the payment plan would be included in the calculation of the payment plan unless the requirements of a utility assistance program otherwise prohibits it.

For example, a governing body may adopt a resolution requiring all residential customers to be offered installment plans of 24 months, instead of the statutory minimum 12 months. Alternatively, a resolution may grant a tax collector the discretion to offer payment plans of greater than 12 months, but not more than 24 months, if a residential ratepayer can demonstrate that their financial circumstances warrant such an extended period.

Installment plans offered by municipalities and local authorities are subject to the provisions of N.J.S.A. 54:5-19, unless P.L. 2021, c. 317 states otherwise. Among other things, this means installment plans must have equal monthly payments and that a residential customer must make timely payments on the arrearages and current fees and charges (including property taxes and local assessments in the case of a municipality). The residential customer must know the monthly payment amount for the installment plan before agreeing to the plan and should be required to sign an agreement to abide by the terms of the installment plan.

If the residential ratepayer does not pay their arrearages and/or current charges within 30 days after the due date, then the installment plan is void and enforcement can proceed on the unpaid arrears at any time, including service shutoff and bringing accrued arrearages to tax sale. Likewise, if a residential customer does not agree to an installment plan within 30 days of being offered a plan, the local unit can move forward with enforcement action. Again, interest and penalties, including the year-end penalty, accruing after March 15, 2022 can be enforced on the unpaid balance. However, if, for example, a residential customer with unpaid water charges was offered an installment plan and then proceeded to apply for LIHWAP prior to June 15<sup>th</sup>, another installment plan must be offered to the residential customer after the Department of Community Affairs makes a determination on the LIHWAP application.

The text of N.J.S.A. 54:5-19 is included in Appendix A. Municipal utilities authorities and sewerage authorities are reminded that the tax collector notification requirement of [N.J.A.C. 5:31-3.2](#) will apply to those arrearages subject to enforcement action.

The Division strongly encourages regular monitoring of all installment plans, including at least monthly reporting, allowing the local unit's finance officials, governing body members, and auditor visibility into the process. Calculations for installment plans should be verified by another

official, and the rationale supporting any discretionary judgments concerning installment plans should be memorialized in writing and provided to the residential customer.

Model installment plan agreements for municipalities and authorities, based on the statutory minimum 12 month payment schedule, can be found on the Division's [Tax Collection Resources](#) webpage under the heading "Collector Resources." Local units should review with legal counsel the form and content of any installment plan agreement.

A residential customer must be offered an installment plan regardless of the amount of unpaid charges, as there is no minimum to qualify. Where arrearages amounts are relatively small, the local unit may wish to forgive the entirety of a residential customer's arrears or combine forgiveness of 50% or more of the arrears combined with a shorter than 12-month installment plan for the remaining balance. Municipalities are also reminded that N.J.S.A. 40A:5-17.1 allows the adoption of a resolution authorizing a specific employee to cancel a delinquency of less than \$10.00.

#### **E. Updates to Ratepayer Notice under P.L. 2021, c. 97**

As explained in Local Finance Notice 2021-22, [P.L. 2021, c. 97](#) requires all investor-owned utilities and all local governments providing water, sewer, and electric service to provide their residential customers with monthly notice of COVID-19 related relief measures, and to post the notice prominently on their websites. The obligation to provide such notice will remain effective until 18 months after the date of termination of [Executive Order 103](#), which to date has not been terminated. Within parameters determined by the Board of Public Utilities and the Department of Community Affairs, as applicable, investor-owned utilities and local governments have certain flexibility in determining the form and manner of the notice; however, certain standard information must be included.

With the enactment of P.L. 2021, c. 317 and [P.L. 2022, c. 4](#), municipalities and direct customer-billing local units operating water systems, wastewater treatment systems, and/or electric utilities must update their ratepayer notices. An updated model residential ratepayer notice is included as Appendix B to this Notice. English-language and Spanish-language versions of the model notice are available as a Word document on the Division of Local Government Services' [Miscellaneous Publications](#) webpage under the heading "COVID-19 Utility Ratepayer Assistance." A Korean translation of the model notice will follow shortly.

The residential ratepayer notice must contain information on the availability of installment plans for satisfying arrearages along with the availability of any additional bill payment and arrearage forgiveness programs. The ratepayer notice must include a statement that ratepayers with unpaid charges accruing during the period covered by the law are eligible for an installment plan to satisfy those arrearages. The notice must also include contact information for ratepayers to obtain further information, which the Division recommends listing on the local unit's website with the specific webpage link included in the ratepayer notice.

If a municipality, or the county in which the municipality is situated, is offering its own utility assistance program (i.e. funded through ARP or CDBG dollars), information on the program and how to apply shall also be included in the notice, along with any utility assistance programs available to the local unit's residential ratepayers through non-profit organizations.

Further information on utility assistance programs can be found on the [Department of Community Affairs' website](#). Although not strictly oriented toward utility assistance, information on housing assistance programs can also be included on the notice to broaden awareness. [NJ 211](#) contains further information on such programs.

For a municipality in which the primary language of 10 percent or more of the population is a language other than English, ratepayer notification shall be provided in that other language or languages for use by customers in that municipality. This information is provided by the United States Census Bureau's American Community Survey (ACS or Survey). An [Excel-based breakdown](#) is available on the Division's [Miscellaneous Publications](#) webpage. To determine whether your municipality has a population or populations meeting the 10 percent or greater threshold, first review the "Primary Lang by Mun 2019 Summ" tab which breaks down the percentage of people using languages such as Spanish, Korean, Vietnamese, Arabic, and Tagalog (Filipino). Because the 2011-2015 ACS contains a more detailed language breakdown than the later 2015-2019 Survey, the municipality will also need to check the "Primary Lang by Mun 2015 Detail" tab to verify whether there are other languages meeting the 10 percent or greater threshold. Among the languages specifically counted in the 2011-2015 ACS are Portuguese, Russian, Polish, French Creole, Hindi, and Gujarati. Please note that both the 2011-2015 and 2015-2019 Surveys only count Chinese language speakers as a whole without providing a further breakdown into Mandarin, Cantonese, et cetera.

To the extent the residential ratepayer notice directs customers to another local unit webpage or document for more detailed information, and the municipality has one or more populations of 10 percent or greater whose primary language is other than English, the local unit should also make those resources available in those languages.

#### Notice Distribution

The residential ratepayer notice required by [P.L. 2021, c. 97](#) must not only be placed in a prominent location on the website of the municipality, local authority or other local unit, but also must be affirmatively communicated to ratepayers on a monthly basis. The monthly notice must be communicated through means reasonably calculated to reach the ratepayer base, including, but not limited to, water and sewer bills distributed through regular mail and online delivery. Unlike with many investor-owned utilities, the Division recognizes that many local units do not bill monthly for water and sewer, and further recognizes that requiring a monthly mailer could trigger a rate increase. In lieu of a separate monthly mailer, other means of affirmatively communicating the monthly notice can include:

- E-mail communications;
- Mass text and/or voice messages;



- Social media posts;
- Distribution at community events, senior and recreation programs;
- Partnering with school district(s) on outreach;
- Partnering with community non-profits, including faith-based, on outreach; and
- Regular announcements at governing body meetings.

Local units are strongly encouraged to use a combination of available communication methods and to document them. The ratepayer notice should also be posted in a prominent place in the local unit's administrative offices, with take-home fliers made publicly available. Authorities or other local units that directly bill customers are strongly encouraged to partner with their constituent municipalities in communicating the ratepayer notice. County-based sewerage authorities and MUAs that directly bill customers should also work with their constituent county or counties.

Municipalities and authorities that contract with an outside entity to operate their water and/or sewer operations (e.g. Water and/or Wastewater Public-Private Contracting Acts) should review the underlying contract to determine whether the outside entity would bear any responsibility for communicating the required notice and, if so, to what extent.

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Approved: Jacquelyn A. Suárez, Director

Document	Internet Address
P.L. 2022, c. 4	<a href="https://pub.njleg.state.nj.us/Bills/2022/AL22/4_.PDF">https://pub.njleg.state.nj.us/Bills/2022/AL22/4_.PDF</a>
P.L. 2021, c. 317	<a href="https://www.njleg.state.nj.us/Bills/2020/AL21/317_.PDF">https://www.njleg.state.nj.us/Bills/2020/AL21/317_.PDF</a>
DCA LIHWAP Program FAQs	<a href="https://njdca-housing.dynamics365portals.us/lihwapfaq">https://njdca-housing.dynamics365portals.us/lihwapfaq</a>
ARP Utility Debt Relief Program (Electric)	<a href="https://njdca-housing.dynamics365portals.us/arpfaq">https://njdca-housing.dynamics365portals.us/arpfaq</a>
DCA LIHEAP Program	<a href="https://www.nj.gov/dca/divisions/dhcr/offices/hea.html">https://www.nj.gov/dca/divisions/dhcr/offices/hea.html</a>
DLGS Miscellaneous Publications	<a href="https://www.nj.gov/dca/divisions/dlgs/resources/misc_publications.html">https://www.nj.gov/dca/divisions/dlgs/resources/misc_publications.html</a>
N.J.A.C. 5:31-3.2	<a href="https://www.nj.gov/dca/divisions/dlgs/resources/rules_docs/5_31/njac_5313.pdf">https://www.nj.gov/dca/divisions/dlgs/resources/rules_docs/5_31/njac_5313.pdf</a>
DLGS Tax Collection Resources	<a href="https://www.nj.gov/dca/divisions/dlgs/programs/tax_collector.html">https://www.nj.gov/dca/divisions/dlgs/programs/tax_collector.html</a>
P.L. 2021, c. 97	<a href="https://www.njleg.state.nj.us/Bills/2020/PL21/97_.PDF">https://www.njleg.state.nj.us/Bills/2020/PL21/97_.PDF</a>
Executive Order 103	<a href="https://nj.gov/infobank/eo/056murphy/pdf/EO-103.pdf">https://nj.gov/infobank/eo/056murphy/pdf/EO-103.pdf</a>
Primary Language (non-English)	<a href="https://www.nj.gov/dca/divisions/dlgs/resources/misc_docs/11-2021_Primary_Language_by_Municipality_Data_-_COVID_Ratepayer_Notice.xlsx">https://www.nj.gov/dca/divisions/dlgs/resources/misc_docs/11-2021 Primary Language by Municipality Data - COVID Ratepayer Notice.xlsx</a>
Dept. of Community Affairs' Website	<a href="https://nj.gov/dca/">https://nj.gov/dca/</a>
NJ 211 COVID-19 Housing Assistance	<a href="https://www.nj211.org/covid-19-housing-assistance">https://www.nj211.org/covid-19-housing-assistance</a>

## Appendix A

### **N.J.S.A. 54:5-19 Power of sale, "collector" and "officer" defined.**

The term "collector" as hereinafter used includes any such officer, and the term "officer" includes the collector.

A municipality shall have the authority to conduct both standard and accelerated tax sales.

When unpaid taxes or any municipal lien, or part thereof, on real property remain in arrears at the close of the fiscal year, the collector or other officer charged by law in the municipality with that duty, shall enforce the lien by selling the property in the manner set forth in this article by holding a standard tax sale in the following fiscal year.

When unpaid taxes or any municipal lien, or part thereof, on real property remains in arrears on the 11th day of the eleventh month in the fiscal year when the taxes or lien became in arrears, the collector or other officer charged by law in the municipality with that duty, shall enforce the lien by selling the property in the manner set forth in this article by conducting an accelerated tax sale by selling the property in the manner set forth in this article, provided that the sale is conducted and completed no earlier than in the last month of the fiscal year. Whenever the due date for the fourth quarter property tax installment payment has been extended for real property pursuant to the provisions of subsection a. of R.S.54:4-67, a municipality shall not conduct an accelerated tax sale with respect to that installment pursuant to this section.

In either a standard or an accelerated tax sale, the municipality may by resolution direct that when unpaid taxes or other municipal liens or charges, or part thereof, are in arrears as of the 11th day of the eleventh month of the fiscal year, such sale shall include only such unpaid taxes or other municipal liens or charges as were in arrears in the fiscal year designated in such resolution, and may by resolution, either general or special, direct that there shall be omitted from such sale any or all such unpaid taxes, and other municipal liens, or parts thereof, on real property, upon which regular, equal monthly installment payments are being made, in pursuance to such agreement as may be authorized by said resolution between the collector and the owner or person interested in the property upon which such delinquent taxes may be due; provided, that said agreement shall require payment of such installment payments in amounts large enough to pay in full all delinquent taxes, assessments and other municipal liens held by the municipality, in not more than five years from the date of such agreement; provided, that the extension of time for payment of such arrearages herein authorized shall not apply to any parcel of property which prior thereto has been included in any plan theretofore adopted by any municipality of this State under and pursuant to the provisions of any public statute of this State whereunder prior extensions for the payment of delinquent taxes were authorized; provided further, that the right of any person interested in such property to pay such arrears in such installments shall be conditioned on the prompt payment of the installments of taxes for the current year in which such agreement is made, and all subsequent taxes, assessments and other municipal liens imposed or becoming a lien thereafter, including all installments thereafter payable on assessments theretofore levied, and also the prompt payment of all installments of arrears as hereinbefore authorized; and provided further, that in case any such installment of arrears or any new taxes, assessments or other liens are not promptly paid, that is to say, within thirty days after the date when the same is due and payable, then such agreement shall be void, and in any such case the collector, or other officer charged by law with that duty, shall proceed to enforce such lien by selling in the manner in this article provided.

## Appendix B

### Model Ratepayer Notice: COVID-19 Relief Measures

#### **ATTENTION: RELIEF MEASURES FOR RESIDENTIAL UTILITY CUSTOMERS**

*This notice announces relief measures for residential ratepayers that have experienced economic challenges during the COVID-19 pandemic. Please review this message in its entirety. For more information please go to our website at <insert web address> or contact <insert email/telephone number>.*

#### **INSTALLMENT PLAN AVAILABILITY**

BE ADVISED that State law requires the <insert local unit name> to offer residential customers an installment plan for unpaid <insert water, sewer, and/or electric, as applicable> charges. Residential customers offered an installment plan have 30 days to agree to the plan. To maintain the installment plan, a residential customer must make timely payments on all current charges. If the residential customer fails to pay their arrearages and/or current charges within 30 days after the due date, then the installment plan is void and the <insert local unit name> can proceed with enforcement.

More information is available at <insert email/telephone number and, if applicable, the address of a webpage with specific information on installment plans>.

#### **LATE FEES, CHARGES AND PENALTIES**

BE ADVISED that P.L. 2021, c. 317 and P.L. 2022, c. 4 prohibit local governments from charging residential customers interest, fees, or charges for late payment of <insert water, sewer, and/or electric, as applicable> charges accruing between March 9, 2020 and March 15, 2022. This prohibition does not apply to sewer liens that were sold before January 1, 2022. Late interest, fees or charges may be enforced against unpaid charges accruing before March 9, 2020 and after March 15, 2022 but may be waived to the extent required by a utility assistance program.

#### **BILL ASSISTANCE AND ARREARAGE FORGIVENESS PROGRAMS**

*<if local unit provides water and/or sewer>*

BE ADVISED that the application period for the New Jersey Department of Community Affairs' Low Income Household Water Assistance Program (LIHWAP) is now open. This federally funded program provides financial assistance to eligible low-income households to reduce the balances on their residential water and sewer bills. LIHWAP will provide benefits directly to water and sewer service providers on behalf of residential customers. The assistance can be used, in order of priority, to:

- restore services where services have been terminated and pay reconnection fees and other charges accrued due to a disconnection;
- avoid service disruption for those residential customers who are in danger of disconnection (i.e., received shut off notices or have past due balances) and to help them afford bill payment going forward; and

- support those household customers who are current in their bills but might be in danger of falling behind in the near future.

Priority will also be given to families with elderly or disabled household members and/or with children under the age of five, no matter which category they fall into.

To be eligible for LIHWAP assistance, applicants must be water/sewer bill holders who are responsible for paying their water and sewer bills directly to the water/sewer provider. Also, applicants' total gross household income must be at or below 60% of the State Median Income (\$6,439 a month for a family of four). Participants in the Low-Income Home Energy Assistance Program (LIHEAP) are automatically eligible for LIHWAP assistance so long as they are water/sewer bill holders. The LIHWAP frequently asked questions webpage, available at <https://njdca-housing.dynamics365portals.us/lihwapfaq>, has additional information about maximum income limits and other items.

*<if local unit provides electric>*

BE ADVISED that residential customers having fallen behind on their electric payments may be eligible for assistance through the American Rescue Plan (ARP) Utility Debt Relief Program. The program is funded by the United States Department of Health and Human Services' Low Income Home Energy Assistance Program (LIHEAP) through ARP Utility Debt Relief. The ARP Utility Relief frequently asked questions webpage, available at <https://njdca-housing.dynamics365portals.us/arpfaq>, has additional information about maximum income limits and other items.

BE ADVISED that DCA's Low Income Home Energy Assistance Program (LIHEAP) helps very low-income residents with their heating and cooling bills. Please review the LIHEAP fact sheet at [https://www.nj.gov/dca/divisions/dhcr/offices/docs/usfhea\\_fact\\_sheet.pdf](https://www.nj.gov/dca/divisions/dhcr/offices/docs/usfhea_fact_sheet.pdf) for eligibility requirements and other program information.

*<applicable for water, sewer, and/or electric>*

People can apply online through the DCAid application portal at <https://njdca-housing.dynamics365portals.us/en-US/dcaid-services/>. Those without computer or internet access can call 1-800-510-3102 to be directed to one of the community action agencies for assistance with starting, completing, and submitting an application online.

If a residential customer applies for assistance from a State-administered utility assistance program prior to June 15, 2022, enforcement actions on unpaid *<insert water, sewer, and/or electric>* balances are placed on hold for up to 60 days or until such time as a complete application is approved or rejected by the Department of Community Affairs. Please notify the *<name of local unit>* immediately at *<insert phone number and email>* if you have applied for *<insert water, sewer, and/or electric>* assistance, providing the name of the program, the agency administering the program, and the date the application was submitted.