

Local Finance Notice

LFN 2026-11

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MUA Officials

Sewerage Authority
Officials

Water District Officials

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Summer Termination Program

P.L. 2025, c. 145 establishes in the Department of Community Affairs (DCA) and the Board of Public Utilities (BPU) a "Summer Termination Program" allowing eligible residential customers to avoid service shutoff from June 15 through August 31 for non-payment of water, sewer, and electric service. The Summer Termination Program applies to water, sewer, and electric service provided by local units, and operates in a similar manner to the Winter Termination Program including eligibility criteria.

Local Units to Whom the Program Applies

Local units that have a current ordinance, resolution, or written policy allowing for the discontinuance of service between June 15 and August 31 as a means of enforcement for nonpayment of water, sewer, or electric by residential customers must participate in the Summer Termination Program, regardless of whether such shutoffs are conducted in practice.

If a local unit does not have a current ordinance, resolution, or written policy authorizing discontinuance of service between June 15 and August 31 as a means of enforcement for residential ratepayer nonpayment, and does not otherwise discontinue service for residential ratepayers for nonpayment during that period in the absence of a written policy, the local unit is not subject to the provisions of the Summer Termination Program law.

Status of Rulemaking; Similarities to Winter Termination Program

DCA is presently collaborating with BPU to promulgate regulations for the Summer Termination Program. Pending final adoption of regulations, local units should pattern their Summer Termination Program procedures after the Winter Termination Program guidance in Local Finance Notice 2024-17 and regulations in N.J.A.C. 5:45. However, prior to restoring service to a Summer Termination Program participant, a local unit may verify that the residential customer continues to reside in or occupy the place of residence for which service was terminated for nonpayment.

The prohibition on service shutoffs does not apply to shutoffs necessitated by a “utility emergency,” defined as any condition constituting a potential danger to life, health, or property requiring a local unit to discontinue, interrupt, or maintain the discontinuation or interruption of electric, sewer or water service or that results in an unscheduled discontinuance or interruption in electric, sewer or water service.

Like the Winter Termination Program, the Summer Termination Program does not prohibit enforcement of liens for water, sewer, or electric arrearages accrued between June 15 and August 31. A municipality that is subject to the Summer Termination Program may enforce delinquent water, sewer, or electric charges, including arrearages accumulated during the protection period, through tax sale. A lien for such charges may be put up for sale which, if sold, would reduce the ratepayer’s arrearage balance. A residential customer’s ability to make good-faith payments under the Program does not override the ratepayer’s statutory obligation to keep current on all municipal charges as a condition of maintaining an installment plan that the residential customer previously entered into under N.J.S.A. 54:5-19.

For local units subject to the Winter and Summer Termination Programs, the Division of Local Government Services has prepared an updated model notice in [English](#) and [Spanish](#) for use with either Program. Before each shutoff protection season, the Division recommends publishing this notice on the official website and physical posting alongside other public notices.

Approved: Michael F. Rogers, Director

Document	Internet Address
P.L. 2025, c. 145	https://pub.njleg.gov/Bills/2024/PL25/145 .PDF
LFN 2024-17	https://www.nj.gov/dca/dlgs/lfns/2024/2024-17.pdf
DCA Winter Termination Program Webpage	https://www.nj.gov/dca/dhcr/offices/wintertermination.shtml
N.J.A.C. 5:45	https://nj.gov/dca/dhcr/offices/pdf/R.2023 d.093 (55 N.J.R. 1705(a)).pdf
Updated Model WTP/STP Notice (English)	https://www.nj.gov/dca/dlgs/resources/misc_publications/Model%20STP-WTP%20Notice%20for%20Local%20Units%20w.%20Water-Sewer-Electric%20(2026).docx
Updated Model WTP/STP Notice (Spanish)	https://www.nj.gov/dca/dlgs/resources/misc_publications/Model%20STP-WTP%20Notice%20for%20Local%20Units%20w.%20Water-Sewer-Electric%20(2026) SPA.docx