

40:14A-8

LEGISLATIVE HISTORY CHECKLIST

NJSA: 40:14A-8, 40:14B-23

(Utility authorities--local-  
revision of service charges-  
require 20 days notice)

LAWS OF: 1985

CHAPTER: 118

Bill No: A1113

Sponsor(s): Schuber, Kosco and Markert

Date Introduced: February 6, 1984

Committee: Assembly: County Government and Regional Authorities

Senate: County and Municipal Government

Amended during passage: Yes Amendments during passage  
denoted by asterisks.

Date of Passage: Assembly: Jun. 28, 1984

Senate: Mar. 7, 1985

Date of Approval: April 9, 1985

Following statements are attached if available:

Sponsor statement: Yes Attached: Assembly committee  
amendments, adopted 3-15-85  
(with statement).

Committee statement: Assembly Yes

Senate Yes

Fiscal Note: No

Veto Message: No

Message on Signing: No

Following were printed:

Reports: No

Hearings: No

CHAPTER 118  
APPROVED 4-9-85  
85

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ASSEMBLY, No. 1113

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 6, 1984

By Assemblymen SCHUBER, KOSCO and MARKERT

AN ACT concerning notice of revision of service charges by *\*certain\** county and municipal **\*[utilities]\*** authorities, and amending *\*P. L. 1946, c. 138 and\* P. L. 1957, c. 183.*

1 BE IT ENACTED *by the Senate and General Assembly of the State*  
2 *of New Jersey:*

1 \*1. Section 8 of P. L. 1946, c. 138 (C. 40:14A-8) is amended to  
2 read as follows:

3 8. (a) Every sewerage authority is hereby authorized to charge  
4 and collect rents, rates, fees or other charges (in this act sometimes  
5 referred to as "service charges") for direct or indirect connection  
6 with, or the use or services of, the sewerage system. Such service  
7 charges may be charged to and collected from any person contract-  
8 ing for such connection or use or services or from the owner or  
9 occupant, or both of them, of any real property which directly or  
10 indirectly is or has been connected with the system or from or on  
11 which originates or has originated sewage or other wastes which  
12 directly or indirectly have entered or may enter the sewerage sys-  
13 tem, and the owner of any such real property shall be liable for  
14 and shall pay such service charges to the sewerage authority at  
15 the time when the place where such service charges are due and  
16 payable.

17 (b) Rents, rates, fees and charges, which may be payable pe-  
18 riodically, being in the nature of use or service charges, shall  
19 as nearly as the sewerage authority shall deem practicable and  
20 equitable be uniform throughout the district for the same type,  
21 class and amount of use or service of the sewerage system, and

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.**

**Matter printed in italics thus is new matter.**

**Matter enclosed in asterisks or stars has been adopted as follows:**

**\*—Assembly committee amendments adopted March 15, 1984.**

**\*\*—Assembly amendments adopted April 30, 1984.**

22 may be based or computed either on the consumption of water on  
23 or in connection with the real property, making due allowance for  
24 commercial use of water, or on the number and kind of water out-  
25 lets on or in connection with the real property, or on the number  
26 and kind of plumbing or sewerage fixtures or facilities on or in  
27 connection with the real property, or on the number of persons  
28 residing or working on or otherwise connected or identified with  
29 the real property, or on the capacity of the improvements on or  
30 connected with the real property, or on any other factors deter-  
31 mining the type, class and amount of use or service of the sewerage  
32 system, or on any combination of any such factors, and may give  
33 weight to the characteristics of the sewage and other wastes and  
34 any other special matter affecting the cost of treatment and dis-  
35 posal thereof, including chlorine demand, biochemical oxygen  
36 demand, concentration of solids and chemical composition. In ad-  
37 dition to any such periodic service charges, a separate charge in  
38 the nature of a connection fee or tapping fee, in respect of each  
39 connection of any property with the sewerage system may be im-  
40 posed upon the person making such connection or upon the owner  
41 or occupant of the property so connected. Such connection charges  
42 shall be uniform within each class of users but the amount thereof  
43 shall otherwise be entirely within the discretion of the authority  
44 in order that the combination of such connection fee or tapping fee  
45 and the aforesaid periodic service charges shall meet the require-  
46 ments of subsection (c) hereof; provided, however, that in assess-  
47 ing any such connection charges, the sewerage authority shall give  
48 credit in every instance to the owner or occupant of any property  
49 wherein or whereon any action or improvement has been taken or  
50 effectuated, in accordance with such reasonable specifications as  
51 may be prescribed by the sewerage authority, which results in a  
52 reduction of the costs actually incurred by the sewerage authority  
53 in making such connection below such costs actually incurred in  
54 making such connections to property wherein or whereon no such  
55 action or improvement has been taken or effectuated. The amount  
56 of any such credit shall be equal to the percentage difference  
57 between the costs actually incurred by the sewerage authority in  
58 making such connection to a property wherein or whereon such an  
59 action or improvement has been taken or effectuated, and the  
60 average during the immediately preceding year of such costs  
61 actually incurred by the sewerage authority in making such con-  
62 nections to property wherein or whereon no such action or improve-  
63 ment has been taken or effectuated.

64 (c) The sewerage authority shall prescribe and from time to

65 time when necessary revise a schedule of such service charges,  
 66 which shall comply with the terms of any contract of the sewerage  
 67 authority and in any event shall be such that the revenues of the  
 68 sewerage authority will at all times be adequate to pay all expenses  
 69 of operation and maintenance of the sewerage system, including  
 70 reserves, insurance, extensions, and replacements, and to pay  
 71 punctually the principal of and interest on any bonds and to main-  
 72 tain such reserves or sinking funds therefor as may be required  
 73 by the terms of any contract of the sewerage authority or as may  
 74 be deemed necessary or desirable by the sewerage authority. Said  
 75 schedule shall thus be prescribed and from time to time revised  
 76 by the sewerage authority after public hearing thereon which shall  
 77 be held by the sewerage authority at least [seven] **\*\*[60]\*\* \*\*20\*\***  
 78 days after *notice of the proposed adjustment is mailed to the clerk*  
 79 *of each municipality serviced by the authority and* publication of  
 80 notice of the proposed adjustment of the service charges and of the  
 81 time and place of the public hearing in at least two newspapers of  
 82 general circulation in the area serviced by the authority. The sewer-  
 83 age authority shall provide evidence at the hearing showing that the  
 84 proposed adjustment of the service charges is necessary and rea-  
 85 sonable, and shall provide the opportunity for cross-examination  
 86 of persons offering such evidence, and a transcript of the hearing  
 87 shall be made and a copy thereof shall be available upon request  
 88 to any interested party at a reasonable fee. The sewerage au-  
 89 thority shall likewise fix and determine the time or times when  
 90 and the place or places where such service charges shall be due  
 91 and payable and may require that such service charges shall be  
 92 paid in advance for periods of not more than one year. A copy of  
 93 such schedule of service charges in effect shall at all times be kept  
 94 on file at the principal office of the sewerage authority and shall  
 95 at all reasonable times be open to public inspection.

96 (d) Any county sewerage authority may establish sewerage  
 97 regions in portions of the district. Rents, rates, fees and charges  
 98 which may be payable periodically, being in the nature of use or  
 99 service charges, shall as nearly as the sewerage authority shall  
 100 deem practical and equitable, be uniform throughout the district  
 101 for the same type, class and amount of use or service of the sewage  
 102 systems and shall meet all other requirements of subsection (b)  
 103 hereof.\*

1 **\*[1.]\* \*2.\*** Section 23 of P. L. 1957, c. 183 (C. 40:14B-23) is  
 2 amended to read as follows:

3 23. Every municipal authority shall prescribe and from time to

4 time when necessary revise a schedule of all its service charges,  
5 which may provide a single rent, rate, fee or charge for any of its  
6 utility charges and which shall comply with the terms of any con-  
7 tract of the municipal authority and may be such that the revenues  
8 of the municipal authority will at all times be adequate to pay the  
9 expenses of operation and maintenance of the utility system, in-  
10 cluding reserves, insurance, extensions, and replacements, and to  
11 pay the principal of and interest on any bonds and to maintain  
12 such reserves or sinking funds therefor as may be required by the  
13 terms of any contract of the municipal authority or as may be  
14 deemed necessary or desirable by the municipal authority. Said  
15 schedule shall thus be prescribed and from time to time revised  
16 by the municipal authority after public hearing thereon which shall  
17 be held by the municipal authority at least [7] \*\*[60]\*\* \*\*20\*\*  
18 days after *notice of the proposed adjustment is mailed to the clerk*  
19 *of each municipality serviced by the authority and publication of*  
20 *notice of the proposed adjustment of the service charges and of*  
21 *the time and place of the public hearing in at least two newspapers*  
22 *of general circulation in the area serviced by the authority. The*  
23 *municipal authority shall provide evidence at the hearing showing*  
24 *that the proposed adjustment of the service charges is necessary*  
25 *and reasonable, and shall provide the opportunity for cross-exami-*  
26 *nation of persons offering such evidence, and a transcript of the*  
27 *hearing shall be made and a copy thereof shall be available upon*  
28 *request to any interested party at a reasonable fee. The municipal*  
29 *authority shall likewise fix and determine the time or times when*  
30 *and the place or places where such service charges shall be due*  
31 *and payable and may require that such service charges shall be*  
32 *paid in advance for periods of not more than one year. A copy of*  
33 *such schedule of service charges in effect shall at all times be kept*  
34 *on file at the principal office of the municipal authority and shall*  
35 *at all reasonable times be open to public inspection.*

1 \* [2.] \* 3. \* This act shall take effect immediately.

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22 circulation in the area serviced by the authority. The municipal  
23 authority shall provide evidence at the hearing showing that the  
24 proposed adjustment of the service charges is necessary and  
25 reasonable, and shall provide the opportunity for cross-examination  
26 of persons offering such evidence, and a transcript of the hearing  
27 shall be made and a copy thereof shall be available upon request  
28 to any interested party at a reasonable fee. The municipal au-  
29 thority shall likewise fix and determine the time or times when  
30 and the place or places where such service charges shall be due  
31 and payable and may require that such service charges shall be  
32 paid in advance for periods of not more than one year. A copy of  
33 such schedule of service charges in effect shall at all times be kept  
34 on file at the principal office of the municipal authority and shall  
35 at all reasonable times be open to public inspection.

1 2. This act shall take effect immediately.

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#### STATEMENT

This bill requires county and municipal utility authorities to give at least 60 days notice of any proposed revision of their service charges. Notice shall be mailed to the clerk of any municipality serviced by the authority and shall be published in two newspapers circulating in the area serviced.

A1113(1985)

ASSEMBLY COUNTY GOVERNMENT AND  
REGIONAL AUTHORITIES COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 1113**

with Assembly committee amendments

**STATE OF NEW JERSEY**

DATED: MARCH 15, 1984

Assembly Bill No. 1113 with Assembly committee amendments requires county and municipal utility authorities to give at least 60 days notice of any proposed adjustment of their service charges before the authorities may hold a public hearing thereon. Currently, a utility authority is required to hold a public hearing at least seven days after publication of a notice of the proposed adjustments and of the date and place of the hearing before the charge adjustments can be made.

Under the provisions of this bill, a utility authority may only hold a public hearing 60 days after the authority has mailed to the clerk of each municipality served by the authority a notice of the proposed adjustments and published a notice of the proposed adjustments and the date and place of the public hearing in at least two newspapers.

At the request of the sponsor, the committee amendments require county and municipal sewerage authorities to provide similar notice of proposed adjustment.

SENATE COUNTY AND MUNICIPAL GOVERNMENT  
COMMITTEE

STATEMENT TO  
**ASSEMBLY, No. 1113**

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**STATE OF NEW JERSEY**

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DATED: DECEMBER 6, 1984

Assembly Bill 1113 (2nd OCR) amends section 8 of P. L. 1946, c. 138 (C. 40:14A-8) and section 23 of P. L. 1957, c. 183 (C. 40:14B-23) to require county and municipal sewerage authorities and county and municipal utilities authorities to publish a notice of any proposed change in service charges at least 20 days prior to the holding of the public hearing on the proposal. The bill further requires that the notice of the proposed change be mailed to the clerk of each municipality serviced by the authority at least 20 days prior to the scheduled public hearing.

Under current law, county and municipal sewerage authorities and utilities authorities are required to provide public notice of a proposed change in service charges at least seven days prior to the holding of the public hearing. At present, authorities are not required to notify the clerks of the affected municipalities.