

LEGISLATIVE HISTORY CHECKLIST
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(Senior citizens--reduce
 rates--sewer & water)

NJSA: 40:14A-8 et al

LAWS OF: 1994 **CHAPTER:** 78

BILL NO: A219

SPONSOR(S): Solomon and others

DATE INTRODUCED: Pre-filed

COMMITTEE: **ASSEMBLY:** Independent authorities
SENATE: ---

AMENDED DURING PASSAGE: No **Committee substitute enacted**

DATE OF PASSAGE: **ASSEMBLY:** March 28, 1994
SENATE: June 13, 1994

DATE OF APPROVAL: July 26, 1994

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes
SENATE: No

FISCAL NOTE: No

VETO MESSAGE: No

MESSAGE ON SIGNING: No

FOLLOWING WERE PRINTED:

REPORTS: No

HEARINGS: No

KBG:pp

ASSEMBLY, Nos. 219, 870 and 743

STATE OF NEW JERSEY

ADOPTED MARCH 7, 1994

Sponsored by Assemblymen MALONE, SOLOMON, COTTRELL,
ROBERTS and BRYANT

1 AN ACT concerning reduced rates by municipalities, municipal
2 and county utilities authorities and sewerage authorities for
3 senior citizens and the permanently disabled, and amending and
4 supplementing various sections of statutory law.

5

6 BE IT ENACTED *by the Senate and General Assembly of the*
7 *State of New Jersey:*

8 1. (New section) Any county or municipal sewerage authority
9 or county or municipal utilities authority may establish within its
10 district rates or schedules which provide for a reduction or total
11 abatement of the periodic rents, rates, fees, or other charges for
12 the use or services of the sewerage system which are charged to
13 or collected from any person residing in the district of the age of
14 65 or more years, or less than 65 years of age and permanently
15 and totally disabled according to the provisions of the federal
16 Social Security Act, 42 U.S.C. §301 et seq., or disabled under any
17 federal law administered by the United States Department of
18 Veterans Affairs if the disability is rated as 60% or higher, and
19 the person either is annually eligible to receive assistance under
20 the "Pharmaceutical Assistance to the Aged and Disabled"
21 (PAAD) program, P.L.1975, c.194 (C.30:4D-20 et seq.) or has a
22 total income not in excess of \$10,000 per year exclusive of
23 benefits under any one of the following:

24 a. The federal Social Security Act, 42 U.S.C. §301 et seq. and
25 all amendments and supplements thereto;

26 b. Any other program of the federal government or pursuant to
27 any other federal law which provides benefits in whole or in part
28 in lieu of benefits referred to in, or for persons excluded from
29 coverage under subsection a. of this section including, but not
30 limited to, the federal "Railroad Retirement Act of 1974,"
31 45 U.S.C. §231 et seq., and federal pension, disability and
32 retirement programs; or

33 c. Pension, disability or retirement programs of any state or
34 its political subdivisions, or agencies thereof, for persons not
35 covered under subsection a. of this section except that, the total
36 amount of benefits to be allowed exclusion by any owner under
37 subsections b. or c. of this section shall not be in excess of the
38 maximum amount of benefits payable to, and allowable for
39 exclusion by, an owner in similar circumstances under subsection
40 a. of this section.

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

43 8. (a) Every sewerage authority is hereby authorized to charge

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 underlined thus is new matter.

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

14 (b) Rents, rates, fees and charges, which may be payable
15 periodically, being in the nature of use or service charges, shall
16 as nearly as the sewerage authority shall deem practicable and
17 equitable be uniform throughout the district for the same type,
18 class and amount of use or service of the sewerage system,
19 except as permitted by section 1 of P.L. , c. (C.)
20 (pending before the Legislature as this bill), and may be based or
21 computed either on the consumption of water on or in connection
22 with the real property, making due allowance for commercial use
23 of water, or on the number and kind of water outlets on or in
24 connection with the real property, or on the number and kind of
25 plumbing or sewerage fixtures or facilities on or in connection
26 with the real property, or on the number of persons residing or
27 working on or otherwise connected or identified with the real
28 property, or on the capacity of the improvements on or connected
29 with the real property, or on any other factors determining the
30 type, class and amount of use or service of the sewerage system,
31 or on any combination of any such factors, and may give weight
32 to the characteristics of the sewage and other wastes and any
33 other special matter affecting the cost of treatment and disposal
34 thereof, including chlorine demand, biochemical oxygen demand,
35 concentration of solids and chemical composition. In addition to
36 any such periodic service charges, a separate charge in the nature
37 of a connection fee or tapping fee, in respect of each connection
38 of any property with the sewerage system, may be imposed upon
39 the owner or occupant of the property so connected. Such
40 connection charges shall be uniform within each class of users,
41 and the amount thereof shall not exceed the actual cost of the
42 physical connection, if made by the authority, plus an amount
43 computed in the following manner to represent a fair payment
44 toward the cost of the system:

45 (1) The amount representing all debt service, including but not
46 limited to sinking funds, reserve funds, the principal and interest
47 on bonds, and the amount of any loans and interest thereon, paid
48 by the sewerage authority to defray the capital cost of
49 developing the system as of the end of the immediately preceding
50 fiscal year of the authority shall be added to all capital
51 expenditures made by the authority not funded by a bond
52 ordinance or debt for the development of the system as of the
53 end of the immediately preceding fiscal year of the authority.

54 (2) Any gifts, contributions or subsidies to the authority

1 received from, and not reimbursed or reimbursable to any
2 federal, State, county or municipal government or agency or any
3 private person, and that portion of amounts paid to the authority
4 by a public entity under a service agreement or service contract
5 which is not repaid to the public entity by the authority, shall
6 then be subtracted.

7 (3) The remainder shall be divided by the total number of
8 service units served by the authority at the end of the
9 immediately preceding fiscal year of the authority, and the
10 results shall then be apportioned to each new connector according
11 to the number of service units attributed to that connector, to
12 produce the connector's contribution to the cost of the system.
13 In attributing service units to each connector, the estimated
14 average daily flow of sewage for the connector shall be divided
15 by the average daily flow of sewage for the average single family
16 residence in the authority's district to produce the number of
17 service units to be attributed.

18 The connection fee shall be recomputed at the end of each
19 fiscal year of the authority, after a public hearing is held in the
20 manner prescribed in subsection (c) of this section. The revised
21 connection fee may be imposed upon those who subsequently
22 connect in that fiscal year to the system. The combination of
23 such connection fee or tapping fee and the aforesaid periodic
24 service charges shall meet the requirements of subsection (c)
25 hereof.

26 (c) The sewerage authority shall prescribe and from time to
27 time when necessary revise a schedule of service charges, which
28 shall comply with the terms of any contract of the sewerage
29 authority and in any event shall be such that the revenues of the
30 sewerage authority will at all times be adequate to pay all
31 expenses of operation and maintenance of the sewerage system,
32 including reserves, insurance, extensions, and replacements, and
33 to pay punctually the principal of and interest on any bonds and
34 to maintain such reserves or sinking funds therefor as may be
35 required by the terms of any contract of the sewerage authority
36 or as may be deemed necessary or desirable by the sewerage
37 authority. Said schedule shall thus be prescribed and from time
38 to time revised by the sewerage authority after public hearing
39 thereon which shall be held by the sewerage authority at least 20
40 days after notice of the proposed adjustment is mailed to the
41 clerk of each municipality serviced by the authority and
42 publication of notice of the proposed adjustment of the service
43 charges and of the time and place of the public hearing in at least
44 two newspapers of general circulation in the area serviced by the
45 authority. The sewerage authority shall provide evidence at the
46 hearing showing that the proposed adjustment of the service
47 charges is necessary and reasonable, and shall provide the
48 opportunity for cross-examination of persons offering such
49 evidence, and a transcript of the hearing shall be made and a
50 copy thereof shall be available upon request to any interested
51 party at a reasonable fee. The sewerage authority shall likewise
52 fix and determine the time or times when and the place or places
53 where such service charges shall be due and payable and may
54 require that such service charges shall be paid in advance for

1 periods of not more than one year. A copy of such schedule of
2 service charges in effect shall at all times be kept on file at the
3 principal office of the sewerage authority and shall at all
4 reasonable times be open to public inspection.

5 (d) Any county sewerage authority may establish sewerage
6 regions in portions of the district. Rents, rates, fees and charges
7 which may be payable periodically, being in the nature of use or
8 service charges, shall as nearly as the sewerage authority shall
9 deem practicable and equitable, be uniform throughout the
10 district for the same type, class and amount of use or service of
11 the sewerage systems, except as permitted by section 1 of
12 P.L. , c. (C.) (pending before the Legislature as this
13 bill), and shall meet all other requirements of subsection (b)
14 hereof.

15 (cf: P.L.1985, c.526, s.1)

16 3. Section 21 of P.L.1957, c.183 (C.40:14B-21) is amended to
17 read as follows:

18 21. Every municipal authority is hereby authorized to charge
19 and collect rents, rates, fees or other charges (in this act
20 sometimes referred to as "water service charges") for direct or
21 indirect connection with, or the use, products or services of, the
22 water system, or for sale of water or water services, facilities or
23 products. Such water service charges may be charged to and
24 collected from any person contracting for such connection or use,
25 products or services or for such sale or from the owner or
26 occupant, or both of them, of any real property which directly or
27 indirectly is or has been connected with the water system or to
28 which directly or indirectly has been supplied or furnished such
29 use, products or services of the water system or water or water
30 services, facilities or products, and the owner of any such real
31 property shall be liable for and shall pay such water service
32 charges to the municipal authority at the time when and place
33 where such water service charges are due and payable. Such
34 rents, rates, fees and charges shall as nearly as the municipal
35 authority shall deem practicable and equitable be uniform
36 throughout the district for the same type, class and amount of
37 use, products or services of the water system, except as
38 permitted by section 1 of P.L.1992, c.215 (C.40:14B-22.2), and
39 may be based or computed either on the consumption of water on
40 or in connection with the real property, or on the number and
41 kind of water outlets on or in connection with the real property,
42 or on the number and kind of plumbing fixtures or facilities on or
43 in connection with the real property, or on the number of persons
44 residing or working on or otherwise connected or identified with
45 the real property, or on the capacity of the improvements on or
46 connected with the real property, or on any other factors
47 determining the type, class and amount of use, products or
48 services of the water system supplied or furnished, or on any
49 combination of such factors, and may give weight to the
50 characteristics of the water or water services, facilities or
51 products and, as to service outside the district, any other matter
52 affecting the cost of supplying or furnishing the same, including
53 the cost of installation of necessary physical properties.

54 In addition to any such water service charges, a separate

1 charge in the nature of a connection fee or tapping fee, in
2 respect of each connection of any property with the water
3 system, may be imposed upon the owner or occupant of the
4 property so connected. Such connection charges shall be uniform
5 within each class of users and the amount thereof shall not
6 exceed the actual cost of the physical connection, if made by the
7 authority, plus an amount computed in the following manner to
8 represent a fair payment toward the cost of the system:

9 a. The amount representing all debt service, including but not
10 limited to sinking funds, reserve funds, the principal and interest
11 on bonds, and the amount of any loans and interest thereon, paid
12 by a municipal authority to defray the capital cost of developing
13 the system as of the end of the immediately preceding fiscal year
14 of the authority shall be added to all capital expenditures made
15 by the authority not funded by a bond ordinance or debt for the
16 development of the system as of the end of the immediately
17 preceding fiscal year of the authority.

18 b. Any gifts, contributions or subsidies to the authority
19 received from, and not reimbursed or reimbursable to any
20 federal, State, county or municipal government or agency or any
21 private person, and that portion of amounts paid to the authority
22 by a public entity under a service agreement or service contract
23 which is not repaid to the public entity by the authority, shall
24 then be subtracted.

25 c. The remainder shall be divided by the total number of
26 service units served by the authority at the end of the
27 immediately preceding fiscal year of the authority, and the
28 results shall then be apportioned to each new connector according
29 to the number of service units attributed to that connector, to
30 produce the connector's contribution to the cost of the system.
31 In attributing service units to each connector, the estimated
32 average daily flow of water for the connector shall be divided by
33 the average daily flow of water to the average single family
34 residence in the authority's district, to produce the number of
35 service units to be attributed.

36 The connection fee shall be recomputed at the end of each
37 fiscal year of the authority, after a public hearing is held in the
38 manner prescribed in section 23 of P.L.1957, c.183
39 (C.40:14B-23). The revised connection fee may be imposed upon
40 those who subsequently connect in that fiscal year to the system.
41 The combination of such connection fee or tapping fee and the
42 aforesaid water service charges shall meet the requirements of
43 section 23 of P.L.1957, c.183 (C.40:14B-23). The foregoing
44 notwithstanding, no municipal authority shall impose any charges
45 or fees in excess of the cost of water actually used for any
46 sprinkler system required to be installed in any residential health
47 care facility pursuant to the "Health Care Facilities Planning
48 Act," P.L.1971, c.136 (C.26:2H-1 et seq.) and regulations
49 promulgated thereunder or in any rooming or boarding house
50 pursuant to the "Rooming and Boarding House Act of 1979,"
51 P.L.1979, c.496 (C.55:13B-1 et al.) and regulations promulgated
52 thereunder. Nothing in this amendatory act shall preclude any
53 municipal authority from charging for the actual cost of water
54 main connection.

55 (cf: P.L.1985, c.526, s.2)

1 4. Section 1 of P.L.1992, c.215 (C.40:14B-22.2) is amended to
2 read as follows:

3 1. Any municipal or county authority may establish within its
4 district rates or schedules which provide for a reduction or total
5 abatement of the rents, rates, fees, or other charges which are
6 charged to or collected from any person residing in the district of
7 the age of 65 or more years, or less than 65 years of age and
8 permanently and totally disabled according to the provisions of
9 the federal Social Security Act, 42 U.S.C.§[401] 301 et seq., or
10 disabled under any federal law administered by the United States
11 Department of Veterans Affairs [where] if the disability is rated
12 as 60% or higher, [having] and the person either is annually
13 eligible to receive assistance under the "Pharmaceutical
14 Assistance to the Aged and Disabled" (PAAD) program, P.L.1975,
15 c.194 (C.30:4D-20 et seq.) or has a total income not in excess of
16 \$10,000 per year exclusive of benefits under any one of the
17 following:

18 a. The federal Social Security Act, 42 U.S.C.§301 et seq. and
19 all amendments and supplements thereto;

20 b. Any other program of the federal government or pursuant to
21 any other federal law which provides benefits in whole or in part
22 in lieu of benefits referred to in, or for persons excluded from
23 coverage under subsection a. of this section including, but not
24 limited to, the federal "Railroad Retirement Act of 1974,"
25 45 U.S.C.§231 et seq., and federal pension, disability and
26 retirement programs; or

27 c. Pension, disability or retirement programs of any state or
28 its political subdivisions, or agencies thereof, for persons not
29 covered under subsection a. of this section except that, the total
30 amount of benefits to be allowed exclusion by any owner under
31 subsections b. or c. of this section shall not be in excess of the
32 maximum amount of benefits payable to, and allowable for
33 exclusion by, an owner in similar circumstances under subsection
34 a. of this section.

35 (cf: P.L.1992, c.215, s.1)

36 5. (New section) Any local unit operating a county or
37 municipal sewerage facility may establish within its district rates
38 or schedules which provide for a reduction or total abatement of
39 the periodic rates, rentals, or other charges for the use or services
40 of the sewerage system which are charged to or collected from
41 any person residing in the district of the age of 65 or more years,
42 or less than 65 years of age and permanently and totally disabled
43 according to the provisions of the federal Social Security Act, 42
44 U.S.C.§301 et seq., or disabled under any federal law
45 administered by the United States Department of Veterans
46 Affairs if the disability is rated as 60% or higher, and the person
47 either is annually eligible to receive assistance under the
48 "Pharmaceutical Assistance to the Aged and Disabled" (PAAD)
49 program, P.L.1975, c.194 (C.30:4D-20 et seq.) or has a total
50 income not in excess of \$10,000 per year exclusive of benefits
51 under any one of the following:

52 a. The federal Social Security Act, 42 U.S.C.§301 et seq. and
53 all amendments and supplements thereto;

54 b. Any other program of the federal government or pursuant to

1 any other federal law which provides benefits in whole or in part
2 in lieu of benefits referred to in, or for persons excluded from
3 coverage under subsection a. of this section including, but not
4 limited to, the federal "Railroad Retirement Act of 1974,"
5 45 U.S.C. §231 et seq., and federal pension, disability and
6 retirement programs; or

7 c. Pension, disability or retirement programs of any state or
8 its political subdivisions, or agencies thereof, for persons not
9 covered under subsection a. of this section except that, the total
10 amount of benefits to be allowed exclusion by any owner under
11 subsections b. or c. of this section shall not be in excess of the
12 maximum amount of benefits payable to, and allowable for
13 exclusion by, an owner in similar circumstances under subsection
14 a. of this section.

15 6. N.J.S.40A:26A-10 is amended to read as follows:

16 40A:26A-10. After the commencement of operation of
17 sewerage facilities, the local unit or units may prescribe and,
18 from time to time, alter rates or rentals to be charged to users of
19 sewerage services. Rates or rentals being in the nature of use or
20 service charges or annual rental charges, shall be uniform and
21 equitable for the same types and classes of use and service of the
22 facilities, except as permitted by section 5 of P.L. , c.
23 (C.) (pending before the Legislature as this bill). Rates or
24 rentals and types and classes of use and service may be based on
25 any factors which the governing body or bodies of that local unit
26 or units shall deem proper and equitable within the region served.

27 In fixing rates, rental and other charges for supplying sewerage
28 services, the local unit or units shall establish a rate structure
29 that allows, within the limits of any lawful covenants made with
30 bondholders, the local unit to:

31 a. Recover all costs of acquisition, construction or operation,
32 including the costs of raw materials, administration, real or
33 personal property, maintenance, taxes, debt service charges, fees
34 and an amount equal to any operating budget deficit occurring in
35 the immediately preceding fiscal year;

36 b. Establish a surplus in an amount sufficient to provide for
37 the reasonable anticipation of any contingency that may affect
38 the operating of the sewerage facility, and, at the discretion of
39 the local unit or units, allow for the transfer of moneys from the
40 budget for the sewerage facilities to the local budget in
41 accordance with section 5 of P.L.1983, c.111 (C.40A:4-35.1).

42 (cf: N.J.S.40A:26A-10)

43 7. (New section) Any local unit operating a county or
44 municipal water supply facility may establish within its district
45 rates or schedules which provide for a reduction or total
46 abatement of the periodic rates, rentals, or other charges for
47 water supply service which are charged to or collected from any
48 person residing in the district of the age of 65 or more years, or
49 less than 65 years of age and permanently and totally disabled
50 according to the provisions of the federal Social Security Act, 42
51 U.S.C. §301 et seq., or disabled under any federal law
52 administered by the United States Department of Veterans
53 Affairs if the disability is rated as 60% or higher, and the person
54 either is annually eligible to receive assistance under the

1 "Pharmaceutical Assistance to the Aged and Disabled" (PAAD)
2 program, P.L.1975, c.194 (C.30:4D-20 et seq.) or has a total
3 income not in excess of \$10,000 per year exclusive of benefits
4 under any one of the following:

5 a. The federal Social Security Act, 42 U.S.C. §301 et seq. and
6 all amendments and supplements thereto;

7 b. Any other program of the federal government or pursuant to
8 any other federal law which provides benefits in whole or in part
9 in lieu of benefits referred to in, or for persons excluded from
10 coverage under subsection a. of this section including, but not
11 limited to, the federal "Railroad Retirement Act of 1974,"
12 45 U.S.C. §231 et seq., and federal pension, disability and
13 retirement programs; or

14 c. Pension, disability or retirement programs of any state or
15 its political subdivisions, or agencies thereof, for persons not
16 covered under subsection a. of this section except that, the total
17 amount of benefits to be allowed exclusion by any owner under
18 subsections b. or c. of this section shall not be in excess of the
19 maximum amount of benefits payable to, and allowable for
20 exclusion by, an owner in similar circumstances under subsection
21 a. of this section.

22 8. N.J.S.40A:31-10 is amended to read as follows:

23 40A:31-10. After the commencement of operation of water
24 supply facilities, the local unit or units may prescribe and, from
25 time to time, alter rates or rentals to be charged to users of
26 water supply services. Rates or rentals being in the nature of use
27 or service charges or annual rental charges, shall be uniform and
28 equitable for the same type and class of use or service of the
29 facilities, except as permitted by section 7 of P.L. , c.
30 (C.) (pending before the Legislature as this bill). Rates or
31 rentals and types and classes of use and service may be based on
32 any factors which the governing body or bodies of that local unit
33 or units shall deem proper and equitable within the region served.

34 In fixing rates, rental and other charges for supplying water
35 services, the local unit or units shall establish a rate structure
36 that allows, within the limits of any lawful covenants made with
37 bondholders, the local unit to:

38 a. Recover all costs of acquisition, construction or operation,
39 including the costs of raw materials, administration, real or
40 personal property, maintenance, taxes, debt service charges, fees
41 and an amount equal to any operating budget deficit occurring in
42 the immediately preceding fiscal year;

43 b. Establish a surplus in an amount sufficient to provide for
44 the reasonable anticipation of any contingency that may affect
45 the operation of the utility, and, at the discretion of the local
46 unit or units, allow for the transfer of moneys from the budget
47 for the water supply facilities to the local budget in accordance
48 with section 5 of P.L.1983, c.111 (C.40A:4-35.1).

49 No local unit or units shall, however, impose any rates or
50 rentals in excess of the cost of water actually used for any
51 sprinkler system required to be installed in any residential health
52 care facility pursuant to the "Health Care Facilities Planning
53 Act," P.L.1971, c.136 (C.26:2H-1 et seq.) and regulations
54 promulgated thereunder or in any rooming or boarding house

1 pursuant to the "Rooming and Boarding House Act of 1979,"
2 P.L.1979, c.496 (C.55:13B-1 et al.) and regulations promulgated
3 thereunder.

4 (cf: N.J.S.40A:31-10)

5 9. This act shall take effect immediately.

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10 Permits discounted rates for certain senior and disabled citizens
11 for local water, sewerage and utility services.

1 9. This act shall take effect immediately.

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STATEMENT

5

6 This bill amends section 1 of P.L.1992, c.215 (C.40:14B-22.2) to
7 exclude social security income from the law's \$10,000 income
8 limit to qualify for senior and disabled citizen water rate
9 discounts offered by certain municipal utilities authorities and to
10 also make persons income-eligible to receive a discount in any
11 year in which they are eligible to receive assistance under the
12 "Pharmaceutical Assistance to the Aged and Disabled" (PAAD)
13 program, P.L.1975, c.194 (C.30:4D-20 et seq.). Proof of PAAD
14 eligibility should make senior and disabled citizen water and
15 sewer rate discount programs easier to administer and provide
16 the flexibility to automatically qualify more needy seniors and
17 disabled citizens whenever the PAAD income limits are adjusted
18 by the Legislature. The bill also extends the option of providing a
19 discount to senior and disabled citizens to sewerage authorities
20 and municipal water and sewer operations.

21

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24

25 Extends authority to offer discount water and sewer rates to
26 qualified senior and disabled citizens and adjusts income
27 eligibility.

ASSEMBLY, No. 219
STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1994 SESSION

By Assemblyman SOLOMON

1 AN ACT concerning reduced rates by municipalities, municipal
2 and county utilities authorities and sewerage authorities for
3 senior citizens and the permanently disabled, supplementing
4 and amending various sections of statutory law.

5

6 BE IT ENACTED *by the Senate and General Assembly of the*
7 *State of New Jersey:*

8 1. (New section) Any county or municipal sewerage authority
9 may establish within its district rates or schedules which provide
10 for a reduction or total abatement of the rents, rates, fees, or
11 other charges which are charged to or collected from any person
12 residing in the district of the age of 65 or more years, or less
13 than 65 years of age and permanently and totally disabled
14 according to the provisions of the federal Social Security Act,
15 42 U.S.C. §301 et seq., or disabled under any federal law
16 administered by the United States Department of Veterans
17 Affairs if the disability is rated as 60% or higher, and the person
18 either is annually eligible to receive assistance under the
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21 income not in excess of \$10,000 per year exclusive of benefits
22 under any one of the following:

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24 all amendments and supplements thereto;

25 b. Any other program of the federal government or pursuant to
26 any other federal law which provides benefits in whole or in part
27 in lieu of benefits referred to in, or for persons excluded from
28 coverage under subsection a. of this section including, but not
29 limited to, the federal "Railroad Retirement Act of 1974,"
30 45 U.S.C. §231 et seq., and federal pension, disability and
31 retirement programs; or

32 c. Pension, disability or retirement programs of any state or
33 its political subdivisions, or agencies thereof, for persons not
34 covered under subsection a. of this section except that, the total
35 amount of benefits to be allowed exclusion by any owner under
36 subsections b. or c. of this section shall not be in excess of the
37 maximum amount of benefits payable to, and allowable for
38 exclusion by, an owner in similar circumstances under subsection
39 a. of this section.

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

42 8. (a) Every sewerage authority is hereby authorized to charge

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 underlined thus is new matter.

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

14 (b) Rents, rates, fees and charges, which may be payable
15 periodically, being in the nature of use or service charges, shall
16 as nearly as the sewerage authority shall deem practicable and
17 equitable be uniform throughout the district for the same type,
18 class and amount of use or service of the sewerage system,
19 except as permitted by section 1 of P.L. , c. (C.)
20 (pending before the Legislature as this bill), and may be based or
21 computed either on the consumption of water on or in connection
22 with the real property, making due allowance for commercial use
23 of water, or on the number and kind of water outlets on or in
24 connection with the real property, or on the number and kind of
25 plumbing or sewerage fixtures or facilities on or in connection
26 with the real property, or on the number of persons residing or
27 working on or otherwise connected or identified with the real
28 property, or on the capacity of the improvements on or connected
29 with the real property, or on any other factors determining the
30 type, class and amount of use or service of the sewerage system,
31 or on any combination of any such factors, and may give weight
32 to the characteristics of the sewage and other wastes and any
33 other special matter affecting the cost of treatment and disposal
34 thereof, including chlorine demand, biochemical oxygen demand,
35 concentration of solids and chemical composition. In addition to
36 any such periodic service charges, a separate charge in the nature
37 of a connection fee or tapping fee, in respect of each connection
38 of any property with the sewerage system, may be imposed upon
39 the owner or occupant of the property so connected. Such
40 connection charges shall be uniform within each class of users,
41 and the amount thereof shall not exceed the actual cost of the
42 physical connection, if made by the authority, plus an amount
43 computed in the following manner to represent a fair payment
44 toward the cost of the system:

45 (1) The amount representing all debt service, including but not
46 limited to sinking funds, reserve funds, the principal and interest
47 on bonds, and the amount of any loans and interest thereon, paid
48 by the sewerage authority to defray the capital cost of
49 developing the system as of the end of the immediately preceding
50 fiscal year of the authority shall be added to all capital
51 expenditures made by the authority not funded by a bond
52 ordinance or debt for the development of the system as of the
53 end of the immediately preceding fiscal year of the authority.

54 (2) Any gifts, contributions or subsidies to the authority

1 received from, and not reimbursed or reimbursable to any
2 federal, State, county or municipal government or agency or any
3 private person, and that portion of amounts paid to the authority
4 by a public entity under a service agreement or service contract
5 which is not repaid to the public entity by the authority, shall
6 then be subtracted.

7 (3) The remainder shall be divided by the total number of
8 service units served by the authority at the end of the
9 immediately preceding fiscal year of the authority, and the
10 results shall then be apportioned to each new connector according
11 to the number of service units attributed to that connector, to
12 produce the connector's contribution to the cost of the system.
13 In attributing service units to each connector, the estimated
14 average daily flow of sewage for the connector shall be divided
15 by the average daily flow of sewage for the average single family
16 residence in the authority's district to produce the number of
17 service units to be attributed.

18 The connection fee shall be recomputed at the end of each
19 fiscal year of the authority, after a public hearing is held in the
20 manner prescribed in subsection (c) of this section. The revised
21 connection fee may be imposed upon those who subsequently
22 connect in that fiscal year to the system. The combination of
23 such connection fee or tapping fee and the aforesaid periodic
24 service charges shall meet the requirements of subsection (c)
25 hereof.

26 (c) The sewerage authority shall prescribe and from time to
27 time when necessary revise a schedule of service charges, which
28 shall comply with the terms of any contract of the sewerage
29 authority and in any event shall be such that the revenues of the
30 sewerage authority will at all times be adequate to pay all
31 expenses of operation and maintenance of the sewerage system,
32 including reserves, insurance, extensions, and replacements, and
33 to pay punctually the principal of and interest on any bonds and
34 to maintain such reserves or sinking funds therefor as may be
35 required by the terms of any contract of the sewerage authority
36 or as may be deemed necessary or desirable by the sewerage
37 authority. Said schedule shall thus be prescribed and from time
38 to time revised by the sewerage authority after public hearing
39 thereon which shall be held by the sewerage authority at least 20
40 days after notice of the proposed adjustment is mailed to the
41 clerk of each municipality serviced by the authority and
42 publication of notice of the proposed adjustment of the service
43 charges and of the time and place of the public hearing in at least
44 two newspapers of general circulation in the area serviced by the
45 authority. The sewerage authority shall provide evidence at the
46 hearing showing that the proposed adjustment of the service
47 charges is necessary and reasonable, and shall provide the
48 opportunity for cross-examination of persons offering such
49 evidence, and a transcript of the hearing shall be made and a
50 copy thereof shall be available upon request to any interested
51 party at a reasonable fee. The sewerage authority shall likewise
52 fix and determine the time or times when and the place or places
53 where such service charges shall be due and payable and may
54 require that such service charges shall be paid in advance for

1 periods of not more than one year. A copy of such schedule of
2 service charges in effect shall at all times be kept on file at the
3 principal office of the sewerage authority and shall at all
4 reasonable times be open to public inspection.

5 (d) Any county sewerage authority may establish sewerage
6 regions in portions of the district. Rents, rates, fees and charges
7 which may be payable periodically, being in the nature of use or
8 service charges, shall as nearly as the sewerage authority shall
9 deem practicable and equitable, be uniform throughout the
10 district for the same type, class and amount of use or service of
11 the sewerage systems, except as permitted by section 1 of
12 P.L. , c. (C.) (pending before the Legislature as this
13 bill), and shall meet all other requirements of subsection (b)
14 hereof.

15 (cf: P.L.1985, c.526, s.1)

16 3. Section 21 of P.L.1957, c.183 (C.40:14B-21) is amended to
17 read as follows:

18 21. Every municipal authority is hereby authorized to charge
19 and collect rents, rates, fees or other charges (in this act
20 sometimes referred to as "water service charges") for direct or
21 indirect connection with, or the use, products or services of, the
22 water system, or for sale of water or water services, facilities or
23 products. Such water service charges may be charged to and
24 collected from any person contracting for such connection or use,
25 products or services or for such sale or from the owner or
26 occupant, or both of them, of any real property which directly or
27 indirectly is or has been connected with the water system or to
28 which directly or indirectly has been supplied or furnished such
29 use, products or services of the water system or water or water
30 services, facilities or products, and the owner of any such real
31 property shall be liable for and shall pay such water service
32 charges to the municipal authority at the time when and place
33 where such water service charges are due and payable. Such
34 rents, rates, fees and charges shall as nearly as the municipal
35 authority shall deem practicable and equitable be uniform
36 throughout the district for the same type, class and amount of
37 use, products or services of the water system, except as
38 permitted by section 1 of P.L.1992, c.215 (C.40:14B-22.2), and
39 may be based or computed either on the consumption of water on
40 or in connection with the real property, or on the number and
41 kind of water outlets on or in connection with the real property,
42 or on the number and kind of plumbing fixtures or facilities on or
43 in connection with the real property, or on the number of persons
44 residing or working on or otherwise connected or identified with
45 the real property, or on the capacity of the improvements on or
46 connected with the real property, or on any other factors
47 determining the type, class and amount of use, products or
48 services of the water system supplied or furnished, or on any
49 combination of such factors, and may give weight to the
50 characteristics of the water or water services, facilities or
51 products and, as to service outside the district, any other matter
52 affecting the cost of supplying or furnishing the same, including
53 the cost of installation of necessary physical properties.

54 In addition to any such water service charges, a separate

1 charge in the nature of a connection fee or tapping fee, in
2 respect of each connection of any property with the water
3 system, may be imposed upon the owner or occupant of the
4 property so connected. Such connection charges shall be uniform
5 within each class of users and the amount thereof shall not
6 exceed the actual cost of the physical connection, if made by the
7 authority, plus an amount computed in the following manner to
8 represent a fair payment toward the cost of the system:

9 a. The amount representing all debt service, including but not
10 limited to sinking funds, reserve funds, the principal and interest
11 on bonds, and the amount of any loans and interest thereon, paid
12 by a municipal authority to defray the capital cost of developing
13 the system as of the end of the immediately preceding fiscal year
14 of the authority shall be added to all capital expenditures made
15 by the authority not funded by a bond ordinance or debt for the
16 development of the system as of the end of the immediately
17 preceding fiscal year of the authority.

18 b. Any gifts, contributions or subsidies to the authority
19 received from, and not reimbursed or reimbursable to any
20 federal, State, county or municipal government or agency or any
21 private person, and that portion of amounts paid to the authority
22 by a public entity under a service agreement or service contract
23 which is not repaid to the public entity by the authority, shall
24 then be subtracted.

25 c. The remainder shall be divided by the total number of
26 service units served by the authority at the end of the
27 immediately preceding fiscal year of the authority, and the
28 results shall then be apportioned to each new connector according
29 to the number of service units attributed to that connector, to
30 produce the connector's contribution to the cost of the system.
31 In attributing service units to each connector, the estimated
32 average daily flow of water for the connector shall be divided by
33 the average daily flow of water to the average single family
34 residence in the authority's district, to produce the number of
35 service units to be attributed.

36 The connection fee shall be recomputed at the end of each
37 fiscal year of the authority, after a public hearing is held in the
38 manner prescribed in section 23 of P.L.1957, c.183
39 (C.40:14B-23). The revised connection fee may be imposed upon
40 those who subsequently connect in that fiscal year to the system.
41 The combination of such connection fee or tapping fee and the
42 aforesaid water service charges shall meet the requirements of
43 section 23 of P.L.1957, c.183 (C.40:14B-23). The foregoing
44 notwithstanding, no municipal authority shall impose any charges
45 or fees in excess of the cost of water actually used for any
46 sprinkler system required to be installed in any residential health
47 care facility pursuant to the "Health Care Facilities Planning
48 Act," P.L.1971, c.136 (C.26:2H-1 et seq.) and regulations
49 promulgated thereunder or in any rooming or boarding house
50 pursuant to the "Rooming and Boarding House Act of 1979,"
51 P.L.1979, c.496 (C.55:13B-1 et al.) and regulations promulgated
52 thereunder. Nothing in this amendatory act shall preclude any
53 municipal authority from charging for the actual cost of water
54 main connection.

55 (cf: P.L.1985, c.526, s.2)

1 4. Section 1 of P.L.1992, c.215 (C.40:14B-22.2) is amended to
2 read as follows:

3 1. Any municipal or county authority may establish within its
4 district rates or schedules which provide for a reduction or total
5 abatement of the rents, rates, fees, or other charges which are
6 charged to or collected from any person residing in the district of
7 the age of 65 or more years, or less than 65 years of age and
8 permanently and totally disabled according to the provisions of
9 the federal Social Security Act, 42 U.S.C.§[401] 301 et seq., or
10 disabled under any federal law administered by the United States
11 Department of Veterans Affairs [where] if the disability is rated
12 as 60% or higher, [having] and the person either is annually
13 eligible to receive assistance under the "Pharmaceutical
14 Assistance to the Aged and Disabled" (PAAD) program, P.L.1975,
15 c.194 (C.30:4D-20 et seq.) or has a total income not in excess of
16 \$10,000 per year exclusive of benefits under any one of the
17 following:

18 a. The federal Social Security Act, 42 U.S.C.§301 et seq. and
19 all amendments and supplements thereto;

20 b. Any other program of the federal government or pursuant to
21 any other federal law which provides benefits in whole or in part
22 in lieu of benefits referred to in, or for persons excluded from
23 coverage under subsection a. of this section including, but not
24 limited to, the federal "Railroad Retirement Act of 1974,"
25 45 U.S.C.§231 et seq., and federal pension, disability and
26 retirement programs; or

27 c. Pension, disability or retirement programs of any state or
28 its political subdivisions, or agencies thereof, for persons not
29 covered under subsection a. of this section except that, the total
30 amount of benefits to be allowed exclusion by any owner under
31 subsections b. or c. of this section shall not be in excess of the
32 maximum amount of benefits payable to, and allowable for
33 exclusion by, an owner in similar circumstances under subsection
34 a. of this section.

35 (cf: P.L.1992, c.215, s.1)

36 5. (New section) Any local unit operating a county or
37 municipal sewerage facility may establish within its district rates
38 or schedules which provide for a reduction or total abatement of
39 the rents, rates, fees, or other charges which are charged to or
40 collected from any person residing in the district of the age of 65
41 or more years, or less than 65 years of age and permanently and
42 totally disabled according to the provisions of the federal Social
43 Security Act, 42 U.S.C.§401 et seq., or disabled under any federal
44 law administered by the United States Department of Veterans
45 Affairs if the disability is rated as 60% or higher, and the person
46 either is annually eligible to receive assistance under the
47 "Pharmaceutical Assistance to the Aged and Disabled" (PAAD)
48 program, P.L.1975, c.194 (C.30:4D-20 et seq.) or has a total
49 income not in excess of \$10,000 per year exclusive of benefits
50 under any one of the following:

51 a. The federal Social Security Act, 42 U.S.C.§301 et seq. and
52 all amendments and supplements thereto;

53 b. Any other program of the federal government or pursuant to
54 any other federal law which provides benefits in whole or in part

1 in lieu of benefits referred to in, or for persons excluded from
2 coverage under subsection a. of this section including, but not
3 limited to, the federal "Railroad Retirement Act of 1974,"
4 45 U.S.C. §231 et seq., and federal pension, disability and
5 retirement programs; or

6 c. Pension, disability or retirement programs of any state or
7 its political subdivisions, or agencies thereof, for persons not
8 covered under subsection a. of this section except that, the total
9 amount of benefits to be allowed exclusion by any owner under
10 subsections b. or c. of this section shall not be in excess of the
11 maximum amount of benefits payable to, and allowable for
12 exclusion by, an owner in similar circumstances under subsection
13 a. of this section.

14 6. N.J.S.40A:26A-10 is amended to read as follows:

15 40A:26A-10. After the commencement of operation of
16 sewerage facilities, the local unit or units may prescribe and,
17 from time to time, alter rates or rentals to be charged to users of
18 sewerage services. Rates or rentals being in the nature of use or
19 service charges or annual rental charges, shall be uniform and
20 equitable for the same types and classes of use and service of the
21 facilities, except as permitted by section 5 of P.L. , c.
22 (C.) (pending before the Legislature as this bill). Rates or
23 rentals and types and classes of use and service may be based on
24 any factors which the governing body or bodies of that local unit
25 or units shall deem proper and equitable within the region served.

26 In fixing rates, rental and other charges for supplying sewerage
27 services, the local unit or units shall establish a rate structure
28 that allows, within the limits of any lawful covenants made with
29 bondholders, the local unit to:

30 a. Recover all costs of acquisition, construction or operation,
31 including the costs of raw materials, administration, real or
32 personal property, maintenance, taxes, debt service charges, fees
33 and an amount equal to any operating budget deficit occurring in
34 the immediately preceding fiscal year;

35 b. Establish a surplus in an amount sufficient to provide for
36 the reasonable anticipation of any contingency that may affect
37 the operating of the sewerage facility, and, at the discretion of
38 the local unit or units, allow for the transfer of moneys from the
39 budget for the sewerage facilities to the local budget in
40 accordance with section 5 of P.L.1983, c.111 (C.40A:4-35.1).

41 (cf: N.J.S.40A:26A-10)

42 7. (New section) Any local unit operating a county or
43 municipal water supply facility may establish within its district
44 rates or schedules which provide for a reduction or total
45 abatement of the rents, rates, fees, or other charges which are
46 charged to or collected from any person residing in the district of
47 the age of 65 or more years, or less than 65 years of age and
48 permanently and totally disabled according to the provisions of
49 the federal Social Security Act, 42 U.S.C. §301 et seq., or disabled
50 under any federal law administered by the United States
51 Department of Veterans Affairs if the disability is rated as 60%
52 or higher, and the person either is annually eligible to receive
53 assistance under the "Pharmaceutical Assistance to the Aged and
54 Disabled" (PAAD) program, P.L.1975, c.194 (C.30:4D-20 et seq.)

1 or has a total income not in excess of \$10,000 per year exclusive
2 of benefits under any one of the following:

3 a. The federal Social Security Act, 42 U.S.C. §301 et seq. and
4 all amendments and supplements thereto;

5 b. Any other program of the federal government or pursuant to
6 any other federal law which provides benefits in whole or in part
7 in lieu of benefits referred to in, or for persons excluded from
8 coverage under subsection a. of this section including, but not
9 limited to, the federal "Railroad Retirement Act of 1974,"
10 45 U.S.C. §231 et seq., and federal pension, disability and
11 retirement programs; or

12 c. Pension, disability or retirement programs of any state or
13 its political subdivisions, or agencies thereof, for persons not
14 covered under subsection a. of this section except that, the total
15 amount of benefits to be allowed exclusion by any owner under
16 subsections b. or c. of this section shall not be in excess of the
17 maximum amount of benefits payable to, and allowable for
18 exclusion by, an owner in similar circumstances under subsection
19 a. of this section.

20 8. N.J.S.40A:31-10 is amended to read as follows:

21 40A:31-10. After the commencement of operation of water
22 supply facilities, the local unit or units may prescribe and, from
23 time to time, alter rates or rentals to be charged to users of
24 water supply services. Rates or rentals being in the nature of use
25 or service charges or annual rental charges, shall be uniform and
26 equitable for the same type and class of use or service of the
27 facilities, except as permitted by section 7 of P.L. , c.
28 (C.) (pending before the Legislature as this bill). Rates or
29 rentals and types and classes of use and service may be based on
30 any factors which the governing body or bodies of that local unit
31 or units shall deem proper and equitable within the region served.

32 In fixing rates, rental and other charges for supplying water
33 services, the local unit or units shall establish a rate structure
34 that allows, within the limits of any lawful covenants made with
35 bondholders, the local unit to:

36 a. Recover all costs of acquisition, construction or operation,
37 including the costs of raw materials, administration, real or
38 personal property, maintenance, taxes, debt service charges, fees
39 and an amount equal to any operating budget deficit occurring in
40 the immediately preceding fiscal year;

41 b. Establish a surplus in an amount sufficient to provide for
42 the reasonable anticipation of any contingency that may affect
43 the operation of the utility, and, at the discretion of the local
44 unit or units, allow for the transfer of moneys from the budget
45 for the water supply facilities to the local budget in accordance
46 with section 5 of P.L.1983, c.111 (C.40A:4-35.1).

47 No local unit or units shall, however, impose any rates or
48 rentals in excess of the cost of water actually used for any
49 sprinkler system required to be installed in any residential health
50 care facility pursuant to the "Health Care Facilities Planning
51 Act," P.L.1979, c.136 (C.26:2H-1 et seq.) and regulations
52 promulgated thereunder or in any rooming or boarding house
53 pursuant to the "Rooming and Boarding House Act of [1979]
54 1971," P.L.1979, c.496 (C.55:13B-1 et al.) and regulations
55 promulgated thereunder.

56 (cf: N.J.S.40A:31-10)

1 9. This act shall take effect immediately.
2
3

4 STATEMENT
5

6 This bill amends section 1 of P.L.1992, c.215 (C.40:14B-22.2) to
7 exclude social security income from the law's \$10,000 income
8 limit to qualify for senior and disabled citizen water rate
9 discounts offered by certain municipal utilities authorities and to
10 also make persons income-eligible to receive a discount in any
11 year in which they are eligible to receive assistance under the
12 "Pharmaceutical Assistance to the Aged and Disabled" (PAAD)
13 program, P.L.1975, c.194 (C.30:4D-20 et seq.). Proof of PAAD
14 eligibility should make senior and disabled citizen water and
15 sewer rate discount programs easier to administer and provide
16 the flexibility to automatically qualify more needy seniors and
17 disabled citizens whenever the PAAD income limits are adjusted
18 by the Legislature. The bill also extends the option of providing a
19 discount to senior and disabled citizens to sewerage authorities
20 and municipal water and sewer operations.
21
22
23

24
25 _____
26 Extends authority to offer discount water and sewer rates to
27 qualified senior and disabled citizens and adjusts income
eligibility.

ASSEMBLY, No. 870
STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1994 SESSION

By Assemblyman MALONE

1 AN ACT concerning reduced rates by municipal and county
2 sewerage authorities for senior citizens and the permanently
3 disabled, amending and supplementing P.L.1946, c.138.

4
5 BE IT ENACTED *by the Senate and General Assembly of the*
6 *State of New Jersey:*

7 1. (New section) Any municipal or county sewerage authority
8 may establish within its district rates or schedules which provide
9 for a reduction or total abatement of the rents, rates, fees, or
10 other charges which are charged to or collected from any person
11 residing in the district of the age of 65 or more years, or less
12 than 65 years of age and permanently and totally disabled
13 according to the provisions of the federal Social Security Act, 42
14 U.S.C.§401 et seq., or disabled under any federal law
15 administered by the United States Department of Veterans
16 Affairs where the disability is rated as 60% or higher, having a
17 total income not in excess of \$10,000 per year.

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

20 8. (a) Every sewerage authority is hereby authorized to charge
21 and collect rents, rates, fees or other charges (in this act
22 sometimes referred to as "service charges") for direct or indirect
23 connection with, or the use or services of, the sewerage system.
24 Such service charges may be charged to and collected from any
25 person contracting for such connection or use or services or from
26 the owner or occupant, or both of them, of any real property
27 which directly or indirectly is or has been connected with the
28 system or from or on which originates or has originated sewage or
29 other wastes which directly or indirectly have entered or may
30 enter the sewerage system, and the owner of any such real
31 property shall be liable for and shall pay such service charges to
32 the sewerage authority at the time when the place where such
33 service charges are due and payable.

34 (b) Rents, rates, fees and charges, which may be payable
35 periodically, being in the nature of use or service charges, shall
36 as nearly as the sewerage authority shall deem practicable and
37 equitable be uniform throughout the district for the same type,
38 class and amount of use or service of the sewerage system.
39 except as permitted by section 1 of P.L. , c. (C.)
40 (pending before the Legislature as this bill), and may be based or
41 computed either on the consumption of water on or in connection
42 with the real property, making due allowance for commercial use
43 of water, or on the number and kind of water outlets on or in

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 underlined thus is new matter.

1 connection with the real property, or on the number and kind of
2 plumbing or sewerage fixtures or facilities on or in connection
3 with the real property, or on the number of persons residing or
4 working on or otherwise connected or identified with the real
5 property, or on the capacity of the improvements on or connected
6 with the real property, or on any other factors determining the
7 type, class and amount of use or service of the sewerage system,
8 or on any combination of any such factors, and may give weight
9 to the characteristics of the sewage and other wastes and any
10 other special matter affecting the cost of treatment and disposal
11 thereof, including chlorine demand, biochemical oxygen demand,
12 concentration of solids and chemical composition. In addition to
13 any such periodic service charges, a separate charge in the nature
14 of a connection fee or tapping fee, in respect of each connection
15 of any property with the sewerage system, may be imposed upon
16 the owner or occupant of the property so connected. Such
17 connection charges shall be uniform within each class of users,
18 and the amount thereof shall not exceed the actual cost of the
19 physical connection, if made by the authority, plus an amount
20 computed in the following manner to represent a fair payment
21 toward the cost of the system:

22 (1) The amount representing all debt service, including but not
23 limited to sinking funds, reserve funds, the principal and interest
24 on bonds, and the amount of any loans and interest thereon, paid
25 by the sewerage authority to defray the capital cost of
26 developing the system as of the end of the immediately preceding
27 fiscal year of the authority shall be added to all capital
28 expenditures made by the authority not funded by a bond
29 ordinance or debt for the development of the system as of the
30 end of the immediately preceding fiscal year of the authority.

31 (2) Any gifts, contributions or subsidies to the authority
32 received from, and not reimbursed or reimbursable to any
33 federal, State, county or municipal government or agency or any
34 private person, and that portion of amounts paid to the authority
35 by a public entity under a service agreement or service contract
36 which is not repaid to the public entity by the authority, shall
37 then be subtracted.

38 (3) The remainder shall be divided by the total number of
39 service units served by the authority at the end of the
40 immediately preceding fiscal year of the authority, and the
41 results shall then be apportioned to each new connector according
42 to the number of service units attributed to that connector, to
43 produce the connector's contribution to the cost of the system.
44 In attributing service units to each connector, the estimated
45 average daily flow of sewage for the connector shall be divided
46 by the average daily flow of sewage for the average single family
47 residence in the authority's district to produce the number of
48 service units to be attributed.

49 The connection fee shall be recomputed at the end of each
50 fiscal year of the authority, after a public hearing is held in the
51 manner prescribed in subsection (c) of this section. The revised
52 connection fee may be imposed upon those who subsequently
53 connect in that fiscal year to the system. The combination of
54 such connection fee or tapping fee and the aforesaid periodic

1 service charges shall meet the requirements of subsection (c)
2 hereof.

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

36 (d) Any county sewerage authority may establish sewerage
37 regions in portions of the district. Rents, rates, fees and charges
38 which may be payable periodically, being in the nature of use or
39 service charges, shall as nearly as the sewerage authority shall
40 deem practicable and equitable, be uniform throughout the
41 district for the same type, class and amount of use or service of
42 the sewerage systems, except as permitted by section 1 of P.L. ,
43 c. (C.) (pending before the Legislature as this bill), and
44 shall meet all other requirements of subsection (b) hereof.
45 (cf: P.L.1985, c.526, s.1)

46 3. This act shall take effect immediately.
47
48

49 STATEMENT

50
51 This bill gives municipal and county sewerage authorities the
52 discretion to allow a reduction or abatement of the rents, rates,
53 fees or other charges for senior citizens and certain disabled
54 individuals residing within the authorities' service areas, having a

1 total income not in excess of \$10,000 per year. Eligible disabled
2 individuals must either have qualifying disabilities according to
3 the provisions of the federal Social Security Act or have
4 disabilities under any federal law administered by the U.S.
5 Department of Veterans Affairs where the disability is rated as
6 60% or higher. Utilities authorities organized under the
7 provisions of the municipal and county utilities authorities law
8 have already been given this discretion, per P.L.1992, c.215
9 (C.40:14B-22.2).

10

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13

14 Permits municipal and county sewerage authorities to reduce
15 rents, rates, fees or other charges for certain senior and disabled
16 citizens within their districts.

ASSEMBLY, No. 743

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1994 SESSION

By Assemblymen ROBERTS and BRYANT

1 AN ACT concerning reduced rate eligibility by municipal and
2 county utilities authorities for certain senior citizens and the
3 permanently disabled and amending P.L.1992, c.215.

4

5 BE IT ENACTED *by the Senate and General Assembly of the*
6 *State of New Jersey:*

7 1. Section 1 of P.L.1992, c.215 (C.40:14B-22.2) is amended to
8 read as follows:

9 1. Any municipal or county authority may establish within its
10 district rates or schedules which provide for a reduction or total
11 abatement of the rents, rates, fees, or other charges which are
12 charged to or collected from any person residing in the district of
13 the age of 65 or more years, or less than 65 years of age and
14 permanently and totally disabled according to the provisions of
15 the federal Social Security Act, 42 U.S.C.§401 et seq., or disabled
16 under any federal law administered by the United States
17 Department of Veterans Affairs where the disability is rated as
18 60% or higher, having a total annual income not in excess of
19 [\$10,000] \$15,700 per year if single, or having a total annual
20 income combined with that of a spouse not in excess of \$19,250
21 per year if married, or annually eligible to receive assistance
22 under the "Pharmaceutical Assistance to the Aged and Disabled"
23 (PAAD) program, P.L.1975, c.194 (C.30:4D-20 et seq.).

24 (cf: P.L.1992, c.215, s.1)

25 2. This act shall take effect immediately.

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STATEMENT

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30 This bill changes the income limits for eligibility for certain
31 reduced utility rates by municipal and county utilities authorities
32 for senior citizens and the permanently disabled to match the
33 income limits for the "Pharmaceutical Assistance to the Aged
34 and Disabled" (PAAD) program, P.L.1975, c.194 (C.30:4D-20 et
35 seq.). This change will permit more senior and disabled persons
36 to qualify for reduced rates as PAAD income limits are increased
37 and will also simplify proof of eligibility.

38

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42 Changes income limits for reduced rates for senior and disabled
43 persons by MUAs to correspond to PAAD eligibility.

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 underlined thus is new matter.

ASSEMBLY INDEPENDENT AUTHORITIES COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR

ASSEMBLY, Nos. 219, 870 and 743

STATE OF NEW JERSEY

DATED: MARCH 7, 1994

The Assembly Independent Authorities Committee reports favorably an Assembly Committee Substitute for Assembly Bill Nos. 219, 870 and 743.

This committee substitute amends and supplements various sections of statutory law to allow a local unit operating a municipal or county sewerage or water supply facility, a municipal or county sewerage authority, or a municipal or county utilities authority the discretion to establish within its district rates or schedules which provide for a reduction or abatement of the periodic rents, rates, fees or other charges collected from any person residing within the district of the age of 65 or more years, or less than 65 years of age and permanently and totally disabled according to the provisions of the federal Social Security Act, 42 U.S.C. §301 et seq., or disabled under any federal law administered by the United States Department of Veterans Affairs if the disability is rated as 60% or higher, and the person either is annually eligible to receive assistance under the "Pharmaceutical Assistance to the Aged and Disabled" (PAAD) program, P.L.1975, c.194 (C.30:4D-20 et seq.) or has a total income not in excess of \$10,000 per year exclusive of Social Security or other public pension or disability benefits in lieu of Social Security.