

58:14-15

LEGISLATIVE HISTORY CHECKLIST

NJSA 58:14-15
Laws of 1975 Chapter 254
Bill No. A3035
Sponsor(s) Owens, Brown, Adubato

Date Introduced January 23, 1975

Committee: Assembly Taxation
Senate County & Municipal Government

Amended during passage Yes No

Date of passage: Assembly May 5, 1975
Senate July 14, 1975

Date of approval November 25, 1975

Following statements are attached if available:

Sponsor statement	Yes	No
Committee Statement:	Assembly Yes	No
	Senate Yes	No
Fiscal Note	Yes	No
Veto message	Yes	No
Message on signing	Yes	No

Following were printed:

Reports	Yes	No
Hearings	Yes	No

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ASSEMBLY, No. 3035

STATE OF NEW JERSEY

INTRODUCED JANUARY 23, 1975

By Assemblymen OWENS, BROWN and ADUBATO

Referred to Committee on Taxation

AN ACT concerning the fair apportionment of the loss of real estate taxes by a single municipality caused by the forced location therein of sewerage plant facilities which serve many other municipalities within the Passaic Valley Sewerage District and amending R. S. 58:14-15.

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

1 1. R. S. 58:14-15 is amended to read as follows:

2 58:14-15. The cost of maintenance, repair and operation of said
3 sewer, plant and works shall, by the terms of the contract, be
4 apportioned annually to the respective municipalities entering into
5 the contract, according to the amount of sewage delivered or
6 discharged by them respectively into any sewer or other receptacle
7 provided or constructed by the commissioners for the reception of
8 the same.

9 *Included in the cost of operation shall be a sum equal to the loss*
10 *of real estate tax revenues experienced by any municipality by*
11 *reason of the location therein of a sewer plant serving other*
12 *municipalities. The moneys received by the commissioners for this*
13 *cost of operation shall annually be paid by them to the municipality*
14 *in which the sewer plant is located. In determining the annual lost*
15 *real estate taxes the commissioners shall assume that but for the*
16 *use of the subject lands for public purposes by the commission, the*
17 *lands would have been fully developed at their highest use under*
18 *the municipality's zoning regulations then existing for the area*
19 *in question.*

1 2. This act shall take effect immediately.

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CHAPTER 254 LAWS OF N. J. 1975
APPROVED 4-25-75

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A3035 (1975)

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STATEMENT

The Passaic Valley Sewerage District is about to embark upon the construction of a multimillion dollar sewer treatment plant on a 67-acre parcel of prime industrial land in the city of Newark. The plant will serve 29 municipalities. At the time Passaic Valley determined to proceed with this project the subject land was about to be developed by private industry. The city of Newark would have benefited greatly by such development. Now the city faces a great financial loss, and a most inequitable one.

Furthermore, apart from Newark's plight, the Legislature recognizes that the problem is not singular, but general in nature. As a matter of public policy it is herein determined that a public facility located in one municipality which serves many municipalities should not be permitted to disproportionately burden the municipality in which the facility happens to be located. Thus the amendment proposed herein is designed to meet the subject problem wherever it may arise in the district.

ASSEMBLY TAXATION COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3035

STATE OF NEW JERSEY

DATED: APRIL 7, 1975

This bill proposes to apportion the loss of real estate taxes to a single municipality among all of the municipalities which will benefit from sewage plan facilities in the Passaic Valley sewage district.

It is the committee's view that such apportionment is only fair and equitable. Although this bill addresses itself only to a particular situation which will prevent the city of Newark from losing a substantial amount of ratables, it is the hope of the committee that the Legislature will address itself to a comprehensive study of similar situations throughout the State.

SENATE
STATEMENT TO
ASSEMBLY, No. 3035

STATE OF NEW JERSEY

DATED: JUNE 23, 1975

Assembly Bill 3035 requires the Passaic Valley Sewerage District to compensate a municipality for tax revenues lost due to the location of a sewer plant of the district within said municipality. Compensation will only be paid to a municipality when the sewer plant serves several municipalities within the district.

The loss of real estate tax revenues shall be included in the annual operational costs of the district, which are apportioned among the participating or contracting municipalities, and annual payment for such loss shall be made to the municipality in which the sewer plant is located. The amount of the tax loss shall be the amount of real estate taxes that would have been paid on such property if developed to the fullest potential under the municipality's zoning regulations existing for the area at the time that the lands were taken for public use.