

## LEGISLATIVE HISTORY CHECKLIST

NJSA: 40:14 B-6, 40:14 B-18

(Utility authorities--county  
and municipal--clarify  
exemption from civil  
services rules)

LAWS OF: 1985

CHAPTER 537

BILL NO: A3539

Sponsor(s): Doyle and Ford

Date Introduced: April 29, 1986

Committee: Assembly: State Government, Civil Service, Elections, Pensions and  
Veterans' Affairs.

Senate: -----

Amended during passage: Yes

Substituted for S2770 (not attached since  
identical to A3539)

Date of Passage:

Assembly:

January 6, 1986

Senate:

January 13, 1986

Date of Approval:

January 21, 1986

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

CHAPTER 537 LAWS OF N. J. 1985

APPROVED 1-21-86

[OFFICIAL COPY REPRINT]

**ASSEMBLY, No. 3539**

**STATE OF NEW JERSEY**

INTRODUCED APRIL 29, 1985

By Assemblyman DOYLE and Assemblywoman FORD

AN ACT to amend the "municipal and county utilities authorities law," approved August 22, 1957 (P. L. 1957, c. 183) as said short title was amended by P. L. 1977, c. 384.

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

1 1. Section 6 of P. L. 1957, c. 183 (C. 40:14B-6) is amended to  
2 read as follows:

3 6. a. The governing body of any municipality which shall have  
4 created a sewerage authority may, by ordinance duly adopted,  
5 provide and determine that said sewerage authority shall be  
6 reorganized as a municipal authority and thereupon and thereby  
7 cause said sewerage authority to be organized as a public body  
8 corporate and politic existing under and by virtue of this act.

9 b. In any county which has created a sewerage authority or a  
10 county sewer authority or authorities each such authority shall be  
11 reorganized as a county utilities authority and shall be continued  
12 as a public body corporate and politic existing under and by virtue  
13 of the municipal authorities law, P. L. 1957, c. 183 (C. 40:14B-1  
14 et seq.). The governing body of any county wherein a sewerage  
15 authority or a county sewerage authority or authorities was reorga-  
16 nized pursuant to this section shall record such reorganization by  
17 resolution and file such resolution with the Secretary of State  
18 pursuant to section 7 of this act (C. 40:14B-7).

19 c. No authority reorganized pursuant to this section shall  
20 acquire, construct, maintain, operate or improve a water system,  
21 a solid waste system or a hydroelectric system until each time

**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 amendment adopted December 12, 1985.

22 as the governing body authorizes such action by ordinance in the  
23 case of a municipality, or by resolution in the case of a county.

24 d. Said body shall consist of the members of said sewerage  
25 authority or of said county sewer authority holding office at the  
26 time of such organization together with successors in such member-  
27 ship appointed as if said sewerage authority or county sewer  
28 authority had originally been created pursuant to section 4 of this  
29 act, and, upon the passage of this amendatory and supplementary  
30 act or upon the taking effect of such ordinance and the filing of  
31 a certified copy thereof as in section 7 of this act provided, said  
32 body shall constitute a municipal authority contemplated and  
33 provided for in this act and an agency and instrumentality of said  
34 municipality, or county. Said body as such municipal authority  
35 shall have all of the rights and powers granted and be subject  
36 to all the duties and obligations imposed by this act and, subject  
37 to the rights (if any) of the holders of any bonds or other obliga-  
38 tions of said sewerage authority or county sewer authority there-  
39 tofore issued, said body shall be the successor in all respects to  
40 said sewerage authority or county sewer authority and forthwith  
41 succeed to all of the rights, property, assets and franchises of said  
42 sewerage authority, or county sewer authority and the said bonds  
43 or other obligations of said sewerage authority or county sewer  
44 authority shall be assumed by and become the obligations of said  
45 municipal authority, and the property of said sewerage authority  
46 or county sewer authority shall be vested in said municipal  
47 authority. Said body may at any time, by resolution duly adopted,  
48 change its corporate name and adopt the name and style of "the  
49 ..... municipal utilities authority" with the  
50 name of said municipality or county inserted.

51 [e. Any municipal or county sewerage authority or any county  
52 sewer authority which reorganizes or was reorganized as a munici-  
53 pal authority or county utilities authority under this section may  
54 appoint those persons employed by the authority on the effective  
55 date of this act to permanent positions in the classified service of  
56 the civil service without competitive examination.]

1 2. Section 18 of P. L. 1957, c. 183 (C. 40:14B-18) is amended to  
2 read as follows:

3 18. Every municipal authority, upon the first appointment of its  
4 members and thereafter on or after February 1 in each year, shall  
5 annually elect from among its members a chairman and a vice-  
6 chairman who shall hold office until February 1 next ensuing and  
7 until their respective successors have been appointed and have

8 qualified. Every municipal authority may also appoint and employ,  
9 full- or part-time, [without regard to the provisions of Title 11  
10 of the Revised Statutes,] a secretary, an executive director,  
11 managerial personnel, technical advisors and experts, professional  
12 employees, and persons who shall render professional services as  
13 set forth in section 5 of P. L. 1971, c. 198 (C. 40A:11-5) as the  
14 authority may determine necessary for its efficient operations,  
15 and it shall determine their qualifications, terms of office, for  
16 periods not to exceed five years, duties and compensation and enter  
17 into contracts therefor, for periods not to exceed five years, as it  
18 deems necessary. Such municipal authority may also appoint and  
19 employ such other agents and employees as it may require and  
20 determine their duties and compensation. The provisions of this  
21 section with regard to terms shall not apply to the positions of  
22 general counsel and consulting engineer. *The appointing and em-*  
23 *ploying powers of the municipal authority set forth in this section*  
24 *shall be exercised without regard to the provisions of Title 11 of*  
25 *the Revised Statutes\**; provided, however, that any municipal  
26 authority which, prior to the effective date of this amendatory act,  
27 has accepted the jurisdiction of the Department of Civil Service,  
28 other than by reason of compliance with a court order, shall con-  
29 tinue to be subject to the provisions of Title 11\*.

1 3. This act shall take effect immediately.

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**ASSEMBLY, No. 3539**

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**STATE OF NEW JERSEY**

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INTRODUCED APRIL 29, 1985

By Assemblyman DOYLE and Assemblywoman FORD

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5 provide and determine that said sewerage authority shall be  
6 reorganized as a municipal authority and thereupon and thereby  
7 cause said sewerage authority to be organized as a public body  
8 corporate and politic existing under and by virtue of this act.

9 b. In any county which has created a sewerage authority or a  
10 county sewer authority or authorities each such authority shall be  
11 reorganized as a county utilities authority and shall be continued  
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13 of the municipal authorities law, P. L. 1957, c. 183 (C. 40:14B-1  
14 et seq.). The governing body of any county wherein a sewerage  
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16 nized pursuant to this section shall record such reorganization by  
17 resolution and file such resolution with the Secretary of State  
18 pursuant to section 7 of this act (C. 40:14B-7).

19 c. No authority reorganized pursuant to this section shall  
20 acquire, construct, maintain, operate or improve a water system,  
21 a solid waste system or a hydroelectric system until each time

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26 time of such organization together with successors in such member-  
27 ship appointed as if said sewerage authority or county sewer  
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29 act, and, upon the passage of this amendatory and supplementary  
30 act or upon the taking effect of such ordinance and the filing of  
31 a certified copy thereof as in section 7 of this act provided, said  
32 body shall constitute a municipal authority contemplated and  
33 provided for in this act and an agency and instrumentality of said  
34 municipality, or county. Said body as such municipal authority  
35 shall have all of the rights and powers granted and be subject  
36 to all the duties and obligations imposed by this act and, subject  
37 to the rights (if any) of the holders of any bonds or other obliga-  
38 tions of said sewerage authority or county sewer authority there-  
39 tofore issued, said body shall be the successor in all respects to  
40 said sewerage authority or county sewer authority and forthwith  
41 succeed to all of the rights, property, assets and franchises of said  
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43 or other obligations of said sewerage authority or county sewer  
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46 or county sewer authority shall be vested in said municipal  
47 authority. Said body may at any time, by resolution duly adopted,  
48 change its corporate name and adopt the name and style of "the  
49 ..... municipal utilities authority" with the  
50 name of said municipality or county inserted.

51 [e. Any municipal or county sewerage authority or any county  
52 sewer authority which reorganizes or was reorganized as a munici-  
53 pal authority or county utilities authority under this section may  
54 appoint those persons employed by the authority on the effective  
55 date of this act to permanent positions in the classified service of  
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6 chairman who shall hold office until February 1 next ensuing and  
7 until their respective successors have been appointed and have

8 qualified. Every municipal authority may also appoint and employ,  
9 full- or part-time, [without regard to the provisions of Title 11  
10 of the Revised Statutes,] a secretary, an executive director,  
11 managerial personnel, technical advisors and experts, professional  
12 employees, and persons who shall render professional services as  
13 set forth in section 5 of P. L. 1971, c. 198 (C. 40A:11-5) as the  
14 authority may determine necessary for its efficient operations,  
15 and it shall determine their qualifications, terms of office, for  
16 periods not to exceed five years, duties and compensation and enter  
17 into contracts therefor, for periods not to exceed five years, as it  
18 deems necessary. Such municipal authority may also appoint and  
19 employ such other agents and employees as it may require and  
20 determine their duties and compensation. The provisions of this  
21 section with regard to terms shall not apply to the positions of  
22 general counsel and consulting engineer. *The appointing and em-*  
23 *ploying powers of the municipal authority set forth in this section*  
24 *shall be exercised without regard to the provisions of Title 11 of*  
25 *the Revised Statutes.*

1 3. This act shall take effect immediately.

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#### STATEMENT

The purpose of this bill is to clarify that municipal and county utilities authorities which organized or reorganized under the provisions of the "municipal and county utilities authorities law," P. L. 1957, c. 183 (C. 40:14B-1 et seq.) are not subject to civil service rules and regulations.

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ASSEMBLY STATE GOVERNMENT, CIVIL SERVICE,  
ELECTIONS, PENSIONS AND VETERANS AFFAIRS  
COMMITTEE

STATEMENT TO  
**ASSEMBLY, No. 3539**  
with Assembly committee amendments

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**STATE OF NEW JERSEY**

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DATED: DECEMBER 12, 1985

As amended, this bill provides that the appointing and employing powers of municipal and county utilities authorities organized or re-organized under the provisions of the "municipal and county utilities authorities law" shall not be subject to civil service laws, rules, and regulations, except that those authorities which, prior to the date on which the bill takes effect as law, have accepted the jurisdiction of the Department of Civil Service, other than by reason of compliance with a court order, would continue to be subject to Title 11 of the Revised Statutes. Thus the exemption from civil service coverage would be limited to (1) existing municipal or county authorities previously compelled by the court to accept such coverage, and (2) municipal or county authorities organized after the effective date of the bill.

**COMMITTEE ACTION:**

The committee amended the bill to require those county and municipal authorities which, prior to the effective date of this bill, have accepted the jurisdiction of the Department of Civil Service, other than by reason of compliance with a court order, to continue to be subject to that jurisdiction.

The committee reported the bill favorably.



A-2003 Et al. Signed  
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January 21, 1986

S-1487, sponsored by Senator John Dorsey, R-Morris, to mandate a formula for the calculation of connection fees to be charged to a developer for tapping into a sewerage system or water system.

S-1657, sponsored by Senator John Ewing, R-Somerset, to exempt food management contracts from the bidding requirements for school districts.

S-2350, sponsored by Senator Edward O'Connor, D-Hudson, to make a number of technical changes in the Banking Act of 1948.

S-3436, sponsored by Senator Carmen Orechio, D-Essex, to permit a member of the Public Employees' Retirement System who had discontinued service to retain membership in the system if he returns to service within 10 years and if he has not withdrawn his pension system contribution.

A-2963, sponsored by Assemblywoman Barbara Kalik, D-Burlington, to exempt from the fees imposed by the Worker and Community right to Know Act any employer who certifies that no hazardous substances are located within his facility.

A-3013, sponsored by Assemblyman Harry McEnroe, D-Essex, to permit a municipality acting as a redevelopment agency or a local housing authority to sell property to a private developer without requiring a right of first refusal be given to the municipality.

A-3188, sponsored by Assemblyman Eugene Thompson, D-Essex, to permit omnibuses to be equipped with flashing lights to warn others that an emergency exists on the vehicle.

A-3539, sponsored by Assemblyman John Doyle, D-Ocean, to remove certain municipal and county utilities authorities from the provisions of the Civil Service law.

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