

58:11-59 to 58:11-62

LEGISLATIVE HISTORY CHECKLIST

NJSA 58:11-59 to 58:11-62 (Water companies--facilities and services--
improvements for small companies)
LAWS 1981 CHAPTER 347
Bill No. S1614
Sponsor(s) Dodd
Date Introduced Nov. 24, 1980
Committee: Assembly _____
Senate Energy & Environment

Amended during passage Yes No Senate Committee substitute
enacted. Substituted for
Date of Passage: Assembly Dec. 7, 1981 A2348 (not attached since
identical to S1614)
Senate June 25, 1981
Date of approval Dec. 22, 1981

Following statements are attached if available:

Sponsor statement	<u>Yes</u>	No
Committee Statement: Assembly	<u>Yes</u>	No
Senate	<u>Yes</u>	No
Fiscal Note	<u>Yes</u>	No
Veto Message	<u>Yes</u>	No
Message on signing	<u>Yes</u>	No

Following were printed:

Reports	<u>Yes</u>	No
Hearings	<u>Yes</u>	No

For hearings and reports--see Legislative History of L.1981, c.262.

6/22/81

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CHAPTER 347 LAWS OF N. J. 1981
APPROVED 12-22-81

SENATE COMMITTEE SUBSTITUTE FOR
SENATE, No. 1614

STATE OF NEW JERSEY

ADOPTED JUNE 15, 1981

AN ACT concerning improvements to the facilities and services of small water companies and supplementing Title 58 of the Revised Statutes.

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

1 1. Whenever any small water company is found, after notice
2 and public hearing, to have failed to comply, within a specified
3 time, with any order of the Department of Environmental Pro-
4 tection concerning the availability of water, the potability of water
5 and the provision of water at adequate volume and pressure, which
6 the department is authorized to enforce pursuant to Title 58 of the
7 Revised Statutes, the department and the Board of Public Utilities
8 shall, after notice to capable proximate public or private water
9 companies, municipal utilities authorities established pursuant to
10 P. L. 1957, c. 183 (C. 40:14B-1 et seq.), municipalities or any other
11 suitable governmental entities wherein the small water company
12 provides service, and the Department of the Public Advocate, con-
13 duct a joint public hearing to determine: the actions that may be
14 taken and the expenditures that may be required, including acqui-
15 sition costs, to make all improvements necessary to assure the
16 availability of water, the potability of water and the provision
17 thereof at adequate volume and pressure, including, but not neces-
18 sarily limited to, the acquisition of the small water company by
19 the most suitable public or private entity. As used in this act,
20 "small water company" means any company, purveyor or entity,
21 other than a governmental agency, that provides water for human
22 consumption and which regularly serves less than 1,000 customer
23 connections.

1 2. Compensation for the acquisition of a small water company
2 shall be determined:

3 a. By agreement between the parties, subject to the approval of
4 the Board of Public Utilities, in consultation with the Department
5 of Environmental Protection, and after the holding of a joint public
6 hearing by the board and the department; or,

7 b. Through use of the power of eminent domain.

1 3. a. The Department of Environmental Protection and the Board
2 of Public Utilities, upon a determination that the costs of improve-
3 ments to and the acquisition of the small water company are neces-
4 sary and reasonable, shall order the acquisition of the small water
5 company by the most suitable public or private entity. This order
6 shall provide for the immediate inclusion in the rates of the acquir-
7 ing company the anticipated costs of necessary improvements, or,
8 if the determination of acquisition costs has been deferred, as soon
9 as possible thereafter as may be practicable and feasible.

10 b. The Board of Public Utilities shall extend the franchise area
11 of the acquiring public or private water company to the extent
12 necessary to cover the service area of the small water company
13 taken over pursuant to this act.

1 4. Any water company, municipal utilities authority, municipality
2 or other suitable governmental entity which receives an order
3 pursuant to section 3 of this act shall acquire the small water
4 company and shall make the necessary improvements to assure
5 the availability of water, the potability of the water and the pro-
6 vision of water at adequate volume and pressure. The small water
7 company shall immediately comply with the order and shall facili-
8 tate its sale to the water company, municipal utilities authority,
9 municipality or other suitable governmental entity ordered to
10 acquire the small water company.

1 5. This act shall take effect immediately.

8 company less depreciation and without considering the good will or
9 franchise value of the small water company; and c. through use of
10 the power of eminent domain. Any entity which receives such an
11 order is authorized and directed to acquire the small water company
12 with or without the power of eminent domain.

1 3. Any water company, municipal utilities authority, municipality
2 or other suitable governmental entity which receives an order of the
3 Department of Environmental Protection pursuant to section 1 of
4 this act shall acquire the small water company and shall make the
5 necessary improvements to assure the availability of water, the
6 potability of the water and the provision of water at adequate
7 volume and pressure. The small water company shall immediately
8 comply with the order and shall facilitate its sale to the water
9 company, municipal utilities authority, municipality or other suit-
10 able governmental entity ordered to acquire the small water
11 company.

1 4. This act shall take effect immediately.

STATEMENT

This bill authorizes the Department of Environmental Protection to order water companies, municipal utilities authorities, municipalities or other suitable governmental entity to acquire and upgrade the facilities and services of small water companies providing inadequate service and serving less than 1,000 customers connections, in certain circumstances. It provides that compensation for such an acquisition shall be determined by one of several procedures, including a determination by the Board of Public Utilities considering certain capital expenditures, among other factors.

51614(1980)

ASSEMBLY ENERGY AND NATURAL RESOURCES
COMMITTEE

STATEMENT TO
ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 2348

STATE OF NEW JERSEY

DATED JUNE 22, 1981

(Released without committee recommendation)

This bill would authorize the Department of Environmental Protection to order capable proximate public or private water companies, municipal utilities authorities, municipalities or any other suitable governmental entities to acquire and upgrade the facilities and services of small water companies providing inadequate service and serving less than 1,000 customer connections, in certain circumstances.

Whenever any small water company is found, after notice and public hearing, to have failed to comply with an order of the department with respect to the availability of water, the potability of water and the provision thereof at adequate volume and pressure, the department and the Board of Public Utilities would, after notice to the aforementioned proximate public and private entities, and the Department of Public Advocate, conduct a joint public hearing to determine: (1) the necessary improvements that may be required, including acquisition costs, to upgrade the facilities and services of the small water company; (2) the most appropriate public or private entity to acquire the small water company, if necessary; and (3) the mechanism to calculate the acquisition costs.

Compensation for the acquisition of a small water company would be determined: (1) by agreement between the parties, subject to the approval of the department and the board, and after the holding of a public hearing by the department; or, (2) by eminent domain.

The bill further provides that, in the event of an acquisition order, the board would extend the franchise area of the acquiring entity to cover the service area of the small water company and, the order of the board and the department would provide for the immediate inclusion of takeover costs in the rate base of the acquiring public or private water company.

SENATE ENERGY AND ENVIRONMENT COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR

SENATE, No. 1614

STATE OF NEW JERSEY

DATED: JUNE 15, 1981

This bill would authorize the Department of Environmental Protection to order capable proximate public or private water companies, municipal utilities authorities, municipalities or any other suitable governmental entities to acquire and upgrade the facilities and services of small water companies providing inadequate service and serving less than 1,000 customer connections, in certain circumstances.

Whenever any small water company is found, after notice and public hearing, to have failed to comply with an order of the department with respect to the availability of water, the potability of water and the provision thereof at adequate volume and pressure, the department and the Board of Public Utilities would, after notice to the aforementioned proximate public and private entities, and the Department of Public Advocate, conduct a joint public hearing to determine: (1) the necessary improvements that may be required, including acquisition costs, to upgrade the facilities and services of the small water company; (2) the most appropriate public or private entity to acquire the small water company, if necessary; and (3) the mechanism to calculate the acquisition costs.

Compensation for the acquisition of a small water company would be determined: (1) by agreement between the parties, subject to the approval of the department and the board, and after the holding of a public hearing by the department; or, (2) by eminent domain.

The bill further provides that, in the event of an acquisition order, the board would extend the franchise area of the acquiring entity to cover the service area of the small water company and, the order of the board and the department would provide for the immediate inclusion of takeover costs in the rate base of the acquiring public or private water company.

Any water company ordered to acquire a small water company pursuant to this bill would, of course, be eligible for a loan from the Water Supply Fund established pursuant to the "Water Supply Bond Act of 1981," now pending before the Legislature as Senate Committee Substitute for Senate Bill No. 1610.

FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION

DECEMBER -22, 1981

KATHRYN FORSYTH

Governor Brendan Byrne today signed the following bills:

S-1570, sponsored by Senator Steven Perskie (D-Atlantic) which deletes an existing statutory requirement that a person selected by a party committee to fill a vacancy among primary electees on a general election ballot has not voted in the other party's primary for two years or contributed to the other party within one year.

A U.S. District Court case (Nagler v. Stiles, 343 F. Supp. 415 [1972]) held such requirements to be unconstitutional.

S-1614, sponsored by Senator Frank Dodd (D-Essex) which authorizes the Department of Environmental Protection to order the acquisition of a "small water company" by a suitable public or private entity. A small water company is defined as a private purveyor serving less than 1000 customers.

The bill is part of the Byrne Administration's water package. It would consolidate some of the tiniest of the more than 600 water companies in the state, some of which do not even serve an entire town.

DEP's authority could only be exercised after the failure of the small company to comply with an order concerning the availability and potability of the water supply and after a public hearing to determine the appropriate action to be taken and the costs of the acquisition by the most suitable public or private entity.

The bill sets down a procedure for determining compensation and requires the Board of Public Utilities to extend the franchise area of the acquiring company.

A-1009, sponsored by Assemblyman David Schwartz (D-Middlesex) which establishes a separate registration schedule for antique and exhibition aircraft.

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58:2-3 to 58:2-5

LEGISLATIVE HISTORY CHECKLIST

NJSA 58:2-3-58:2-5; 58:1A-1-58:1A-17; ("Water Supply Management Act"—management and diversion of surface ground water)
13:1B-49.1-13:1B-49.4

LAWS 1981 CHAPTER 262

Bill No. S1611/S1613

Sponsor(s) Dodd

Date Introduced Nov. 24, 1980

Committee: Assembly _____

Senate Energy and Environment

Amended during passage Yes No (Senate Committee substitute enacted. Substituted for A2346 (attached))

Date of Passage: Assembly June 25, 1981

Senate June 25, 1981

Date of approval Aug. 13, 1981

Following statements are attached if available:

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

Following were printed:

Reports	Yes	Yes
Hearings	Yes	Yes

974.90 New Jersey. Legislature. Senate Committee
W329 on Energy and Environment.
1981 Public hearings, held 1-28-81, 2-10-81,
2-17-81 & 2-24-81. New Jersey, 1981.

Cited on p.21 of v.3 of (above) public hearings:
Water Supply Construction Projects (attached).

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Master plan (cited throughout public hearings):

43v
974.90 New Jersey. Division of Water Resources.
W329 Statewide water supply master plan.
1977 Oct. 28, 1977. Trenton, 1977.

974.90 New Jersey. Division of Water Resources.
W329 The NJ Statewide water supply master
1981d plan. Draft...June, 1981. Trenton, 1981.

Qv
974.90 Source material... for the NJ statewide
W329 water supply plan, June, 1980.
1980b Prepared by consultants Havens &
Emerson, Inc. Trenton, 1980.