

R.S. 40:14A-9

October 21, 1971

LEGISLATIVE NOTES ON R.S.40:14A-9 and 40:14B-24  
(Sewerage and municipal utilities authorities -  
cooperative efforts)

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L.1970 - chap209 - A 1160

Sept.14 - Introduced by W. Smith [and others]  
Statement (copies encl.)

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**ASSEMBLY, No. 1160**

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**STATE OF NEW JERSEY**

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INTRODUCED SEPTEMBER 14, 1970

By Assemblymen W. L. SMITH, PARKER, EWING, Assemblywoman  
FENWICK, Assemblymen GARIBALDI and HAELIG

(Without Reference)

AN ACT relating to cooperation between counties and municipalities and authorities created thereby under the "sewerage authorities law" and the "municipal utilities authorities law," amending P. L. 1946, c. 138 and P. L. 1957, c. 183 and validating, ratifying and confirming certain actions and proceedings heretofore taken by counties and municipalities with the consent and approval by such authorities.

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

1 1. Section 9 of P. L. 1946, c. 138 (C. 40:14A-9) is amended to read  
2 as follows:

3 9. *a.* Any local unit shall have power, in the discretion of its  
4 governing body, to appropriate moneys for the purposes of the  
5 sewerage authority, and to loan or donate such moneys to the  
6 sewerage authority in such installments and upon such terms as  
7 may be agreed upon between such local unit and the sewerage  
8 authority.

9 *b.* *Subject to section 29 of this act (C. 40:14A-29), any local unit*  
10 *shall have the power to authorize as a general improvement or,*  
11 *in the case of a local unit which is a municipality, as a local im-*  
12 *provement the construction and financing of any facilities for the*  
13 *collection, treatment and disposal of sewage arising within a*  
14 *district. Subject to the consent and approval of the sewerage*  
15 *authority, such facilities may be operated by the local unit and the*  
16 *local unit may fix rates and charges for the use thereof, in addition*  
17 *to the payment of special assessments levied by a municipality*  
18 *against lands and real estate specially benefited by such improve-*  
19 *ments. As provided in section 22 of this act (C. 40:14A-22), such*  
20 *facilities may be acquired and operated by the sewerage authority*

21 *as part of the sewerage system, notwithstanding that special*  
 22 *assessments may be or may have been levied for such improve-*  
 23 *ments by a municipality.*

1 2. All actions and proceedings authorized by section 1 of this act  
 2 heretofore made and undertaken by a local unit with the consent  
 3 and approval of a sewerage authority, including assessments as a  
 4 local improvement by a municipality levied against lands and real  
 5 estate specially benefited by such improvements, are validated,  
 6 ratified and confirmed.

1 3. Section 24 of P. L. 1957, c. 183 (C. 40:14B-24) is amended to  
 2 read as follows:

3 24. *a.* Any local unit shall have power, in the discretion of its  
 4 governing body, to appropriate moneys for the purposes of the  
 5 municipal authority, and to loan or donate such moneys to the  
 6 municipal authority in such installments and upon such terms as  
 7 may be agreed upon between such local unit and the municipal  
 8 authority.

9 *b.* *Subject to section 61 of this act (C. 40:14B-60), any local unit*  
 10 *shall have the power to authorize as a general improvement or, in*  
 11 *the case of a local unit which is a municipality, as a local improve-*  
 12 *ment the construction and financing of any facilities for the collec-*  
 13 *tion, treatment and disposal of sewage arising within a district, or*  
 14 *any facilities for the distribution of water within a district. Subject*  
 15 *to the consent and approval of the municipal authority, such facili-*  
 16 *ties may be operated by the local unit and the local unit may fix*  
 17 *rates and charges for the use thereof, in addition to the payment*  
 18 *of any special assessments levied by a municipality against lands*  
 19 *and real estate specially benefited by such improvements. As*  
 20 *provided in section 48 of this act (C. 40:14B-48), such facilities may*  
 21 *be acquired and operated by the municipal authority as a part of*  
 22 *the utility system, notwithstanding that special assessments may*  
 23 *be or may have been levied for such improvements by a municipality.*

1 4. All actions and proceedings authorized by section 3 of this act  
 2 made and undertaken by a local unit with the consent and approval  
 3 of a municipal authority, including assessments as a local improve-  
 4 ment levied by a municipality against lands and real estate specially  
 5 benefited by such improvements, are validated, ratified and  
 6 confirmed.

1 5. This act shall take effect immediately.

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#### STATEMENT

The purpose of this bill is to authorize municipalities and counties,  
 with the consent and approval of sewerage and municipal utilities

authorities created by them, to engage in cooperative efforts relating to the construction, extension and enlargement of facilities to be operated by such authorities and to validate such actions heretofore taken in these regards.

While the cooperative efforts authorized by this act have heretofore been widely exercised and thought to have been authorized by law, the Superior Court, Appellate Division, held in the case of *Darrah v. The Township of Evesham*, decided July 7, 1970, that certain such actions were not authorized. This bill is designed to overcome the decision in that case and to validate actions heretofore taken by many counties and municipalities with their respective authorities.