

48:2-1

LEGISLATIVE HISTORY CHECKLIST  
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NJSA: 48:2-1

(PUC--full time)

LAWS OF: 1973

CHAPTER: 294

Bill No: S2126

Sponsor(s): Wallwork and others

Date Introduced: February 22, 1973

Committee: Assembly: -----

Senate: Transportation & Communications

Amended during passage: Yes

Date of Passage: Assembly: November 26, 1973

Senate: April 26, 1973

Date of Approval: December 6, 1973

Following statements are attached if available:

Sponsor statement: Yes

Committee Statement: Assembly: No

Senate: Yes

Fiscal Note: No

Veto Message: No

Message on signing: No

Following were printed:

Reports: No

Hearings: No

KBG/SLJ

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SENATE, No. 2126

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 22, 1973

By Senators WALLWORK, EPSTEIN and SCHLUTER

Referred to Committee on Transportation and Communications

AN ACT concerning the Department of Public Utilities amending R. S. 48:2-1, R. S. 48:2-5 and R. S. 48:2-8, and supplementing Title 48 of the Revised Statutes.

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

1 1. R. S. 48:2-1 is amended to read as follows:

2 48:2-1. There is hereby established in the Executive Branch  
3-4 of the State Government a principal department which shall  
5 be known as the Department of Public Utilities. The Board of  
6 Public Utility Commissioners, hereinafter in this chapter desig-  
7 nated as the "board," created and established by the act entitled  
8 "An act concerning public utilities; to create a board of public  
9 utility commissioners and to prescribe its duties and powers," ap-  
10 proved April 21, 1911 (L. 1911, c. 195, p. 374), as amended and sup-  
11 plemented, is continued and is designated the head of such principal  
12 department.

13 The board shall consist of three citizens of this State [not under  
14 30 years of age. At the expiration of the term of a member of the  
15 board, the Governor shall,] *who shall devote their entire time to*  
16 *the duties of the board and shall not engage in any occupation,*  
17 *profession or other gainful employment. Members of the board shall*  
18 *be appointed by the Governor with the advice and consent of the*  
19 *Senate, [appoint a successor] for [a term] terms of 6 years. The*  
20 *terms of office of the members of the board shall continue until*  
21 *their successors are appointed and qualified. No person shall act*  
22 *as a member of the board until his appointment has been confirmed*  
23 *by the Senate. Not more than two of the members of the board shall*  
24 *be members of the same political party. All vacancies, except*  
25 *through the expiration of term, shall be filled for the unexpired*  
26 *term only.*

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

1 2. R. S. 48:2-5 is amended to read as follows:

2 48:2-5. The members of the board shall [each] receive [such  
3 compensation as shall be provided by law] *annual salaries as fol-  
4 lows: President, \$40,000.00; each commissioner, \$38,000.00.*

1 3. R. S. 48:2-8 is amended to read as follows:

2-3 48:2-8. No member or employee of the board shall have any  
4 official or professional relation or connection with, or hold  
5 any stock or securities in, any public utility as herein defined,  
6 operating within this State, or hold any other office of profit or  
7 trust under the government of this State or of the United States[;  
8 but the inhibition herein contained shall not apply to anyone holding  
9 any municipal office under the government of this State, or commis-  
10 sions or other offices in the Armed Forces of the United States].

1 4. Members of the board holding office on the effective date of  
2 this act may elect to devote their entire time to the duties of the  
3 board and not engage in any other gainful employment and thereby  
4 continue to serve the remainder of the unexpired term for which  
5 they are appointed, in which case they shall file such a written  
6 election with the Governor and the Secretary of State within 10  
7 days after this act is approved by the Governor. Members who do  
8 not file such an election shall continue to serve until their full-time  
9 successors are appointed and qualified.

1 5. The salaries fixed pursuant to this act shall be payable  
2 beginning with the biweekly pay period next following the effective  
3 date of this act. Any sums required to provide additional compen-  
4 sation for the president and each commissioner during the fiscal  
5 year in which this act becomes effective shall be paid from funds  
6 heretofore appropriated and available to the Department of Public  
7 Utilities.

1 6. This act shall take effect on the first day of the month next fol-  
2 lowing enactment.

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#### STATEMENT

This bill makes the president and members of the Board of Public Utility Commissioners full-time employees. The growing responsibilities of the department demand full-time attention and work by the commission members who make the majority decisions and set the key policies. The bill also provides that the commissioners must devote full time to their duties and cannot engage in outside professional, business and occupational interests.

The present commissioners are given the option of serving out the balance of their terms in a full-time capacity.

Staggered terms are provided for the commissioner in section 2 of P. L. 1921, c. 36. The 1921 act is continued by the first paragraph of the existing R. S. 48:2-1, i.e., "The Board of Public Utility Commissioners . . . created and established . . . (L. 1911, c. 195, p. 374), as amended and supplemented is continued and is designated the head of such principal department." Hence, future appointments will take up the terms of the present commissioners.

SENATE TRANSPORTATION AND  
COMMUNICATIONS COMMITTEE

STATEMENT TO

SENATE, No. 2126

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STATE OF NEW JERSEY

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DATED: APRIL 12, 1973

This bill makes the president and members of the Board of Public Utility Commissioners full-time employees at annual salaries of \$40,000.00 for President and \$38,000.00 for each commissioner.

The bill was amended in committee to make the effective date of the act January 1, 1974.

SENATE COMMITTEE AMENDMENT TO  
**SENATE, No. 2126**

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**STATE OF NEW JERSEY**

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ADOPTED APRIL 12, 1973

Amend page 2, section 6, line 1, after "effect", omit rest of sentence,  
and insert "January 1, 1974."

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APPROVED 12-6-73

[OFFICIAL COPY REPRINT]

SENATE, No. 2126

# STATE OF NEW JERSEY

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9 utility commissioners and to prescribe its duties and powers," ap-  
10 proved April 21, 1911 (L. 1911, c. 195, p. 374), as amended and sup-  
11 plemented, is continued and is designated the head of such principal  
12 department.

13 The board shall consist of three citizens of this State [not under  
14 30 years of age. At the expiration of the term of a member of the  
15 board, the Governor shall,] *who shall devote their entire time to*  
16 *the duties of the board and shall not engage in any occupation,*  
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5 any stock or securities in, any public utility as herein defined,  
6 operating within this State, or hold any other office of profit or  
7 trust under the government of this State or of the United States[;  
8 but the inhibition herein contained shall not apply to anyone holding  
9 any municipal office under the government of this State, or commis-  
10 sions or other offices in the Armed Forces of the United States].

1 4. Members of the board holding office on the effective date of  
2 this act may elect to devote their entire time to the duties of the  
3 board and not engage in any other gainful employment and thereby  
4 continue to serve the remainder of the unexpired term for which  
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4 sation for the president and each commissioner during the fiscal  
5 year in which this act becomes effective shall be paid from funds  
6 heretofore appropriated and available to the Department of Public  
7 Utilities.

1 6. This act shall take effect \* [on the first day of the month next  
2 following enactment] \* *January 1, 1974* \*.



FROM THE OFFICE OF THE GOVERNOR

DECEMBER 6, 1973

FOR RELEASE: IMMEDIATE

Governor William T. Cahill today signed into law a bill making the three members of the Public Utilities Commission full time rather than part-time.

Senate Bill No. 2126, sponsored by Senator James H. Wallwork (R., Essex), establishes the full-time board effective January 1, 1974.

In signing the bill, Governor Cahill commented that the change was particularly significant at this time in view of the energy crisis and the mounting pressures on the utilities industry. "It is absolutely essential that our public utilities be monitored without interruption so they can respond as rapidly as possible to the needs of our citizens in today's uncertain energy circumstances.

The Governor also noted that the operations of the Commission affect just about every citizen in the State in that its regulations involve the supplies of electricity, gas, water and telephone service as well as economic aspects of the solid waste industry and cable antenna television. He said, "While the present members of the Commission have served with distinction, the day has come when the proper protection of the public's interest requires a board whose members will devote full time to their responsibilities."

The Governor also noted that the new law bars members from outside business, professional and occupational interests. "I think it is necessary that even the hint of possible conflict of interest be removed from PUC decisions," he concluded.

The Governor also signed the following bills:

Senate Bill No. 307, sponsored by Senator Alfred D. Schiaffo (R., Bergen), which is designated the "Interlocal Services Aid Act", provides for State aid for joint provisions of services by local units of government.

Senate Bill No. 494, sponsored by Senator Frank G. Italiano (R., Camden), which provides that all monies not required for immediate use or disbursement and any monies held in the Housing Finance Fund, reserve or sinking funds be invested in the same manner as the trust funds in the custody of the State Treasurer.

Senate Bill No. 935, sponsored by Senator Frank G. Italiano (R., Camden), which transfers the Mortgage Finance Agency from the Department of Banking to the Department of Community Affairs.

Senate Bill No. 2007, sponsored by Senator Raymond H. Bateman (R., Somerset), which reduces population maximum by which salaries of sheriffs are determined in certain counties.

Senate Bill No. 2028, sponsored by Senator Jerome M. Epstein (R., Union), which requires freeholders to be notified of any State public hearings relating to proposed changes or curtailment of public passenger transportation service in the county.

Assembly Bill No. 553, sponsored by Assemblyman James P. Vreeland, Jr. (R., Morris), which increases the membership of county mosquito extermination commissions; effective 30 days after enactment.

Assembly Bill No. 2437, sponsored by Assemblyman Michael Esposito (D., Hudson), which increases from \$2,500 to \$3,000 the amount a board of chosen freeholders may expend in any one year for membership in any association composed exclusively of freeholders.

Assembly Bill No. 2579, sponsored by Assemblyman John J. Horn (D., Camden) which prescribes prepayment penalties on mortgage loans.

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