

48:2-13.2

LEGISLATIVE HISTORY CHECKLIST

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(Water companies)

NJSA: 48:2-13.2

LAWS OF: 1997 **CHAPTER:** 203

BILL NO: A1678

SPONSOR(S): Garrett and Gregg

DATE INTRODUCED: March 4, 1996

COMMITTEE: **ASSEMBLY:** Commerce & Military and Veterans Affairs

SENATE: State Government

AMENDED DURING PASSAGE: Yes Amendments during passage denoted
First reprint enacted by superscript numbers

DATE OF PASSAGE: **ASSEMBLY:** November 14, 1996

SENATE: June 5, 1997

DATE OF APPROVAL: August 14, 1997

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes

SENATE: Yes

FISCAL NOTE: No

VETO MESSAGE: No

MESSAGE ON SIGNING: No

FOLLOWING WERE PRINTED:
REPORTS: No

HEARINGS: No

KBP:pp

[Passed Both Houses]

[First Reprint]

ASSEMBLY, No. 1678

STATE OF NEW JERSEY

INTRODUCED MARCH 4, 1996

By Assemblymen GARRETT and GREGG

1 AN ACT limiting the jurisdiction of the Board of Public Utilities over
2 certain consumer owned water companies and supplementing
3 chapter 2 of Title 48 of the Revised Statutes.

4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7

8 1. The provisions of any law, rule, regulation or order to the
9 contrary notwithstanding, with respect to a ¹nonpublicly-owned,
10 nonprofit¹ water company which is exclusively owned and controlled
11 by the consumers it serves, ¹and provided that a majority of the entire
12 membership of the association which controls the water company
13 approves.¹ the Board of Public Utilities shall not exercise any
14 jurisdiction or control over the rates, charges or operations of the
15 company; and the approval of the board shall not be required to
16 authorize or validate any mortgage or encumbrance of real property,
17 or the issuance or execution of any evidence of indebtedness by the
18 company, except that the board shall retain its jurisdiction to
19 determine disputes concerning the territory served or to be served by
20 the company.

21

22 2. This act shall take effect immediately.

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27 Limits jurisdiction of the Board of Public Utilities over certain
28 consumer owned water companies.

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly ACV committee amendments adopted September 16, 1996.

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2 certain consumer owned water companies and supplementing
3 chapter 2 of Title 48 of the Revised Statutes.

4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7

8 1. The provisions of any law, rule, regulation or order to the
9 contrary notwithstanding, with respect to a water company which is
10 exclusively owned and controlled by the consumers it serves, the
11 Board of Public Utilities shall not exercise any jurisdiction or control
12 over the rates, charges or operations of the company; and the approval
13 of the board shall not be required to authorize or validate any
14 mortgage or encumbrance of real property, or the issuance or
15 execution of any evidence of indebtedness by the company, except that
16 the board shall retain its jurisdiction to determine disputes concerning
17 the territory served or to be served by the company.

18

19 2. This act shall take effect immediately.

20

21

22

SPONSOR STATEMENT

23

24 This bill supplements chapter 2 of Title 48 of the Revised Statutes
25 to limit the jurisdiction of the Board of Public Utilities (hereinafter,
26 "board") over any water company which is exclusively owned and
27 controlled by the consumers it serves.

28

29 The bill eliminates the board's jurisdiction over rates, charges and
30 operations of such water companies, as well as the requirement of the
31 board's approval for the authorization or validation of any mortgage
32 or encumbrance of real property or the issuance of any evidence of
33 indebtedness of such companies. The bill also stipulates that the board
34 shall retain jurisdiction over disputes concerning the territory served
35 or to be served by such a water company.

35

Under current law (R.S.48:2-13), water companies are included

1 within the scope of public utilities subject to the board's jurisdiction.

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5

6 Limits jurisdiction of the Board of Public Utilities over certain
7 consumer owned water companies.

ASSEMBLY COMMERCE AND MILITARY AND VETERANS'
AFFAIRS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1678

with committee amendments

STATE OF NEW JERSEY

DATED: SEPTEMBER 16, 1996

The Assembly Commerce and Military and Veterans' Affairs Committee reports favorably Assembly Bill No. 1678 with committee amendments.

As amended, this bill supplements chapter 2 of Title 48 of the Revised Statutes to limit the jurisdiction of the Board of Public Utilities (hereinafter, "board") over any nonprofit, non-publicly owned water company which is exclusively owned and controlled by the consumers it serves provided that the majority of the members of the association which controls the water company approves of the limitation.

This bill eliminates the board's jurisdiction over rates, charges and operations of such water companies, as well as the requirement of the board's approval for the authorization or validation of any mortgage or encumbrance of real property or the issuance of any evidence of indebtedness of such companies. The bill also stipulates that the board shall retain jurisdiction over disputes concerning the territory served or to be served by such a water company.

Under current law (R.S.48:2-13), water companies are included within the scope of public utilities subject to the board's jurisdiction.

The committee adopted amendments to clarify that the bill applies to nonpublicly-owned, nonprofit water companies and to require that a majority of the membership of the association which controls the water company must approve of the limitation of the Board of Public Utility's jurisdiction.

SENATE STATE GOVERNMENT COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 1678

STATE OF NEW JERSEY

DATED: JANUARY 23, 1997

The Senate State Government Committee reports favorably Assembly, No. 1678 (1R).

This bill supplements chapter 2 of Title 48 of the Revised Statutes to limit the jurisdiction of the Board of Public Utilities (hereinafter, "board") over any nonprofit, non-publicly owned water company which is exclusively owned and controlled by the consumers it serves provided that the majority of the members of the association which controls the water company approves of the limitation.

This bill eliminates the board's jurisdiction over rates, charges and operations of such water companies, as well as the requirement of the board's approval for the authorization or validation of any mortgage or encumbrance of real property or the issuance of any evidence of indebtedness of such companies. The bill also stipulates that the board shall retain jurisdiction over disputes concerning the territory served or to be served by such a water company.

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