

LEGISLATIVE HISTORY CHECKLIST
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NJSA: 40:14A-7.4

LAWS OF: 1994 CHAPTER: 124

BILL NO: A142

SPONSOR(S): Albohn

DATE INTRODUCED: Pre-filed

COMMITTEE: ASSEMBLY: Independent Authorities

SENATE: State Management

AMENDED DURING PASSAGE: No

DATE OF PASSAGE: ASSEMBLY: March 15, 1994

SENATE: September 19, 1994

DATE OF APPROVAL: October 26, 1994

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

KBG:pp

RECEIVED
SEP 21 1994
STATE ARCHIVES

P.L.1994, CHAPTER 124, approved October 26, 1994

1994 Assembly No. 142

1 AN ACT concerning service charges by authorities for certain
2 checks which are returned for insufficient funds and
3 supplementing chapter 14A and chapter 14B of Title 40 of the
4 Revised Statutes.

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

8 1. a. A sewerage authority created pursuant to the provisions
9 of P.L.1946, c.138 (C.40:14A-1 et seq.) may, by resolution,
10 provide for the imposition of a service charge to be added to any
11 account owing to the authority, if payment tendered on the
12 account was by a check or other written instrument which was
13 returned for insufficient funds.

14 b. The service charge for a check or other written instrument
15 returned for insufficient funds shall be determined and set by
16 resolution from time to time, but shall not exceed \$20 per check
17 or other written instrument.

18 c. Any service charge authorized by this section shall be
19 collected in the same manner prescribed by law for the collection
20 of the account for which the check or other written instrument
21 was tendered. In addition, the authority may require future
22 payments to be tendered in cash or by certified or cashier's
23 check.

24 2. a. A utilities authority created pursuant to the provisions
25 of P.L.1957, c.183 (C.40:14B-1 et seq.) may, by resolution,
26 provide for the imposition of a service charge to be added to any
27 account owing to the authority, if payment tendered on the
28 account was by a check or other written instrument which was
29 returned for insufficient funds.

30 b. The service charge for a check or other written instrument
31 returned for insufficient funds shall be determined and set by
32 resolution from time to time, but shall not exceed \$20 per check
33 or other written instrument.

34 c. Any service charge authorized by this section shall be
35 collected in the same manner prescribed by law for the collection
36 of the account for which the check or other written instrument
37 was tendered. In addition, the authority may require future
38 payments to be tendered in cash or by certified or cashier's
39 check.

40 3. This act shall take effect immediately.

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45 _____
46 Permits certain authorities to establish service charge for checks
returned for insufficient funds.

ASSEMBLY, No. 142
STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel
PRE-FILED FOR INTRODUCTION IN THE 1994 SESSION

By Assemblyman ALBOHN

1 **AN ACT** concerning service charges by authorities for certain
2 checks which are returned for insufficient funds and
3 supplementing chapter 14A and chapter 14B of Title 40 of the
4 Revised Statutes.

5

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

8 1. a. A sewerage authority created pursuant to the provisions
9 of P.L.1946, c.138 (C.40:14A-1 et seq.) may, by resolution,
10 provide for the imposition of a service charge to be added to any
11 account owing to the authority, if payment tendered on the
12 account was by a check or other written instrument which was
13 returned for insufficient funds.

14 b. The service charge for a check or other written instrument
15 returned for insufficient funds shall be determined and set by
16 resolution from time to time, but shall not exceed \$20 per check
17 or other written instrument.

18 c. Any service charge authorized by this section shall be
19 collected in the same manner prescribed by law for the collection
20 of the account for which the check or other written instrument
21 was tendered. In addition, the authority may require future
22 payments to be tendered in cash or by certified or cashier's
23 check.

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25 of P.L.1957, c.183 (C.40:14B-1 et seq.) may, by resolution,
26 provide for the imposition of a service charge to be added to any
27 account owing to the authority, if payment tendered on the
28 account was by a check or other written instrument which was
29 returned for insufficient funds.

30 b. The service charge for a check or other written instrument
31 returned for insufficient funds shall be determined and set by
32 resolution from time to time, but shall not exceed \$20 per check
33 or other written instrument.

34 c. Any service charge authorized by this section shall be
35 collected in the same manner prescribed by law for the collection
36 of the account for which the check or other written instrument
37 was tendered. In addition, the authority may require future
38 payments to be tendered in cash or by certified or cashier's
39 check.

40 3. This act shall take effect immediately.

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STATEMENT

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44 This bill would permit a sewerage or utilities authority to
45 impose by resolution a service charge for checks, used to tender

1 payment to the authority, that are returned due to insufficient
2 funds. The bill authorizes the imposition of a service charge of
3 up to \$20 for each item that is returned due to insufficient
4 funds. The service charge would be collected in the same manner
5 as the account for which the check was tendered and the
6 authority would be permitted to require future payments on the
7 account to be made in cash or by certified or cashier's check.

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12 _____
13 Permits certain authorities to establish service charge for checks
returned for insufficient funds.

ASSEMBLY INDEPENDENT AUTHORITIES COMMITTEE

STATEMENT TO

ASSEMBLY, No. 142

STATE OF NEW JERSEY

DATED: JANUARY 24, 1994

The Assembly Independent Authorities Committee reports favorably Assembly Bill No. 142.

The bill supplements P.L.1946, c.138 (C.40:14A-1 et seq.) the "sewerage authorities law" and P.L.1957, c.183 (C.40:14B-1 et seq.) the "municipal and county utilities authority law" to allow sewerage and utility authorities organized under these two laws to impose a service charge for checks, used to tender payment to the authority that are returned due to insufficient funds. The bill authorizes the imposition of a service charge of up to \$20 for each check or other written instrument that is returned due to insufficient funds. The service charge would be collected in the same manner as the account for which the check or other written instrument was tendered and the authority would be permitted to require future payments on the account to be made in cash or by certified or cashier's check.

The provisions of P.L.1946, c.138 and P.L.1957, c.183 do not currently allow sewerage and utility authorities this discretion.

Technical review was performed on this pre-filed bill, as required under Joint Rule 18A of the Senate and General Assembly.

SENATE STATE MANAGEMENT, INVESTMENTS
AND FINANCIAL INSTITUTIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 142

STATE OF NEW JERSEY

DATED: JUNE 6, 1994

The Senate State Management, Investments and Financial Institutions Committee reports favorably Assembly Bill No. 142.

This bill supplements the "sewerage authorities law" and the "municipal and county utilities authority law" to allow municipal and county sewerage and utility authorities organized under these laws to impose a service charge for checks used to tender payment to the authority that are returned due to insufficient funds. The bill authorizes the imposition of a service charge of up to \$20 for each check or other written instrument that is returned due to insufficient funds. The service charge would be collected in the same manner as the account for which the check or other written instrument was tendered and the authority would be permitted to require future payments on the account to be made in cash or by certified or cashier's check.