

58:14-34.20

LEGISLATIVE HISTORY CHECKLIST
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(Passaic Valley Sewerage Commission--
interest on late charges)

NJSA: 58:14-34.20

LAWS OF: 1993 **CHAPTER:** 54

BILL NO: A1252

SPONSOR(S) Heck and Roma

DATE INTRODUCED: April 13, 1992

COMMITTEE: **ASSEMBLY:** Local Gvernment
SENATE: Community Affairs

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: **ASSEMBLY:** June 11, 1992
SENATE: January 25, 1993

DATE OF APPROVAL: February 22, 1993

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

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[THIRD REPRINT]
ASSEMBLY, No. 1252

STATE OF NEW JERSEY

INTRODUCED APRIL 13, 1992

By Assemblywoman HECK and Assemblyman ROMA

1 AN ACT concerning interest assessed on late charges due to the
2 Passaic Valley Sewerage Commission and amending P.L.1953,
3 c.388.

4

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

7 1. Section 11 of P.L.1953, c.388 (C.58:14-34.20) is amended to
8 read as follows:

9 11. For all purposes of the original act, and of any contract
10 made or hereafter made thereunder or for the purposes thereof,
11 the cost and expense of maintenance, repair and operation of the
12 sewerage system for any year shall be deemed to include, and
13 shall include, in addition to all other items heretofore included,
14 all interest becoming due prior to the end of such year on bonds
15 or other obligations of the commissioners issued pursuant to this
16 act, plus the principal or redemption premium of any such bonds
17 or obligations becoming due prior to the end of such year, plus
18 such sums as the commissioners may determine or by the terms
19 of any contract be required to set aside during such year as a
20 reserve for payment or security of principal of or interest on any
21 such bonds or obligations or be by the terms of any contract
22 required to set aside during such year as a reserve for any other
23 purpose. The contracting municipalities and other users of the
24 sewerage system are hereby authorized and directed to do and
25 perform any and all acts and things necessary, convenient or
26 desirable to pay to the commissioners annually the total cost and
27 expense (as herein referred to and described) of maintenance,
28 repair and operation of the sewerage system apportioned as above
29 provided. If any payment on account of the cost and expense (as
30 herein referred to and described) of maintenance, repair and
31 operation of the sewerage system, or any part thereof, due to the
32 commissioners under the original act or any such contract from a
33 contracting municipality or other user shall remain unpaid for 30
34 days after the commissioners have notified such contracting
35 municipality or other user by mail of the amount due and the due
36 date, such contracting municipality or other user shall be charged
37 with and shall pay to the commissioners interest on the amount
38 unpaid from 30 days after such notice of the commissioners was
39 mailed until paid, at [the] a rate [of] equal to ³two percentage
40 points over³ the average prime rate for the 30-day period
41 beginning on the date the notice of the commissioners was
42 mailed³[, but not in excess of 12% per annum]³. Every obligation
43 assumed by or imposed upon any contracting municipality

EXPLANATION--Matter enclosed in bold-faced brackets [thus] in the
above bill is not enacted and is 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 ALG committee amendments adopted June 1, 1992.

² Senate SCO committee amendments adopted October 1, 1992.

³ Senate floor amendments adopted December 17, 1992.

1 or other user by the original act or any such contract or this act
2 shall be enforceable by the commissioners by appropriate action,
3 suit or proceeding, and the commissioners may have and pursue
4 any and all remedies provided by law for the enforcement of such
5 obligation.

6 (cf: P.L.1983, c.150, s.1)

7 ¹2. (New section) Within 30 days from the effective date of
8 this act, the rate of interest on ²unpaid² late charges assessed
9 prior to ²[that] the effective² date ²[but payable after that date
10 to the commissioners]² pursuant to section 11 of P.L.1953, c.388
11 (C.58:14-34.20), shall be recalculated in accordance with the
12 provisions of that section.¹

13 ¹[2.] 3.¹ This act shall take effect immediately.

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18 Establishes interest on late charges due to Passaic Valley
19 Sewerage Commission.

1 municipality or other user by the original act or any such
2 contract or this act shall be enforceable by the commissioners by
3 appropriate action, suit or proceeding, and the commissioners
4 may have and pursue any and all remedies provided by law for the
5 enforcement of such obligation.

6 (cf: P.L.1983, c.150, s.1)

7 2. This act shall take effect immediately.

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STATEMENT

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12 This bill establishes that the interest to be assessed on late
13 charges due to the Passaic Valley Sewerage Commission will be
14 equal to the average prime rate for the 30-day period beginning
15 on the date on which the commissioners give notice of the
16 amount due and the due date, but will not exceed 12 % per annum.

17 Under current law, the interest rate is 12% per annum.

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22 Establishes interest on late charges due to Passaic Valley
23 Sewerage Commission.

ASSEMBLY LOCAL GOVERNMENT COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1252

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: JUNE 1, 1992

The Assembly Local Government Committee favorably reports Assembly Bill No. 1252 with Assembly committee amendments.

Assembly Bill No. 1252, as amended by the committee, establishes that the interest to be assessed on late charges due to the Passaic Valley Sewerage Commission will be equal to the average prime rate for the 30-day period beginning on the date on which the commissioners give notice of the amount due and the due date, but will not exceed 12% per annum.

Under current law, the interest rate is 12% per annum.

The committee amended the bill to insert a new section requiring that within 30 days from the effective date of the bill, the rate of interest on late charges that were assessed prior to that date but payable after that date be recalculated pursuant to the provisions of this bill.

SENATE COMMUNITY AFFAIRS COMMITTEE

STATEMENT TO

[FIRST REPRINT]

ASSEMBLY, No. 1252

with Senate committee amendments

STATE OF NEW JERSEY

DATED: OCTOBER 1, 1992

The Senate Community Affairs Committee favorably reports Assembly Bill No. 1252 [1R] with Senate committee amendments.

Assembly Bill No. 1252 [1R], as amended by the committee, establishes that the interest to be assessed on late charges due to the Passaic Valley Sewerage Commission will be equal to the average prime rate for the 30-day period beginning on the date on which the commissioners give notice of the amount due and the due date, but will not exceed 12% per annum.

Under current law, the interest rate is 12% per annum.

The bill also establishes that the new calculation of the late interest charge shall be applied to any unpaid late charges which were assessed prior to the effective date of this act.

Upon referral to this committee, the recalculation was to apply to late charges assessed prior to the effective date of the act, but payable afterwards.