

40A: 2-45

LEGISLATIVE HISTORY CHECKLIST
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NJSA: 40A:2-45

(Local Bond Law-
amendments)

LAWS OF: 1991

CHAPTER: 196

Bill No: S824

Sponsor(s): Rice

Date Introduced: Pre-filed

Committee: Assembly: Independent Authorities

Senate: County & Municipal Government

Amended during passage: Yes Amendments during passage,
denoted by asterisk.

Date of Passage: Assembly: May 2, 1991

Senate: February 14, 1991

Date of Approval: July 9, 1991

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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[FIRST REPRINT]

SENATE, No. 824

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1990 SESSION

By Senator RICE

1 AN ACT concerning municipal utilities as a self-liquidating
2 purpose and amending N.J.S.40A:2-45.

3
4 BE IT ENACTED *by the Senate and General Assembly of the*
5 *State of New Jersey:*

6 1. N.J.S.40A:2-45 is amended to read as follows:

7 40A:2-45. Self-liquidating purposes

8 Any municipal public utility shall be deemed to be a
9 self-liquidating purpose if the cash receipts from fees, rents¹,
10 interests on investments and deposits, appropriated surplus¹ or
11 other charges in a fiscal year are sufficient to meet operating
12 and maintenance costs (exclusive of depreciation and
13 obsolescence) and interest and debt redemption charges payable
14 or accruing in such year without recourse to general taxation or
15 the deficit, if any, anticipated in the dedicated utility assessment
16 budget. There may be included in such cash receipts any fees,
17 rents and other charges collected from other departments or
18 utilities of the local unit at a rate not in excess of the fees, rents
19 or other charges to other consumers, customers or users, or if
20 there be no other consumers, customers or users properly
21 comparable, then not in excess of the comparable fees, rents and
22 other charges of privately owned or operated utilities or
23 enterprises. ¹Any municipal public utility which qualifies under
24 the "Municipal Qualified Bond Act," P.L.1976, c.38 (C.40A:3-1 et
25 seq.), may include interests on investments and deposits and
26 appropriated surplus as revenues, in addition to the other
27 revenues authorized by this section, in a determination of
28 whether that municipal public utility shall be deemed to be a
29 self-liquidating purpose.¹

30 (cf: P.L.1964, c.72, s.9)

31 2. This act shall take effect immediately and be retroactive to
32 December 31, ¹[1987] 1990¹.

33

34

35 LOCAL BUDGET AND FINANCE

36

37 Amends "Local Bond Law" to include interest on investments and
38 deposits, and appropriated surplus to determine if municipal
39 utility is a self-liquidating purpose.

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 AIA committee amendments adopted March 18, 1991.

SENATE, No. 824
STATE OF NEW JERSEY

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Introduced Pending Technical Review by Legislative Counsel
PRE-FILED FOR INTRODUCTION IN THE 1990 SESSION

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2 purpose and amending N.J.S.40A:2-45.

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5 State of New Jersey:

6 1. N.J.S.40A:2-45 is amended to read as follows:
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10 interests on investments and deposits, appropriated surplus or
11 other charges in a fiscal year are sufficient to meet operating
12 and maintenance costs (exclusive of depreciation and
13 obsolescence) and interest and debt redemption charges payable
14 or accruing in such year without recourse to general taxation or
15 the deficit, if any, anticipated in the dedicated utility assessment
16 budget. There may be included in such cash receipts any fees,
17 rents and other charges collected from other departments or
18 utilities of the local unit at a rate not in excess of the fees, rents
19 or other charges to other consumers, customers or users, or if
20 there be no other consumers, customers or users properly
21 comparable, then not in excess of the comparable fees, rents and
22 other charges of privately owned or operated utilities or
23 enterprises.

24 (cf: P.L.1964, c.72, s.9)

25 2. This act shall take effect immediately and be retroactive to
26 December 31, 1987.

27

28

29

STATEMENT

30

31 This bill amends the "Local Bond Law" (N.J.S.40A:2-1 et seq.)
32 by including interest on investments and deposits, and
33 appropriated surplus to determine if a municipal utilities'
34 revenues are sufficient to meet operating, maintenance and other
35 costs in order to be deemed a self-liquidating purpose.

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.

ASSEMBLY INDEPENDENT AUTHORITIES COMMITTEE

STATEMENT TO

SENATE, No. 824

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: MARCH 18, 1991

The Assembly Independent Authorities Committee reports favorably Senate Bill No. 824 with committee amendments.

As amended, this bill amends the "Local Bond Law," P.L.1960, c.169 (C.40A:2-1 et seq.) to permit a municipal public utility which qualifies under the "Municipal Qualified Bond Act," P.L.1976, c.38 (C.40A:3-1 et seq.) to include interests on investments and deposits and appropriated surplus as revenues, in addition to other revenues allowed under current law, in a determination of whether the utility shall be deemed a self-liquidating purpose. The committee adopted amendments to limit the use of interests on investments and deposits and appropriated surplus for the purpose of a self-liquidating calculation to those municipal public utilities found qualified under the "Municipal Qualified Bond Act," P.L.1976, c.38 (C.40A:3-1 et seq.) in order to insure that municipal public utilities which seek to include interests on investments and deposits and appropriated surplus are subject to review by the Local Finance Board in the Department of Community Affairs.

SENATE COUNTY AND MUNICIPAL
GOVERNMENT COMMITTEE

STATEMENT TO

SENATE, No. 824

STATE OF NEW JERSEY

DATED: JANUARY 31, 1991

The Senate County and Municipal Government Committee reports favorably Senate Bill No. 824.

Senate Bill No. 824 amends the "Local Bond Law" (N.J.S.40A:2-1 et seq.) by including interest on investments and deposits, and appropriated surplus to determine if a municipal utility's revenues are sufficient to meet operating, maintenance and other costs in order to be deemed a self-liquidating purpose.

This bill was pre-filed for introduction in the 1990 session pending technical review. As reported, the bill includes the changes required by technical review which has been performed.