ASSEMBLY TELECOMMUNICATIONS AND UTILITIES COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2846

with committee amendments

STATE OF NEW JERSEY

DATED: MARCH 15, 2021

The Assembly Telecommunications and Utilities Committee reports favorably and with committee amendments Assembly Bill No. 2846.

As amended and reported, this bill permits certain local units and authorities to reduce water, sewerage, and stormwater fees, and other charges for low-income persons.

Specifically, under the bill, a local unit or authority that operates a water, sewerage, or stormwater management system (local unit or authority) is permitted to reduce the fees or other charges it collects from a person residing in its district or service area, provided that:

(1) the person is the owner or tenant of a dwelling unit in the district or service area and the person resides in the dwelling unit;

(2) the dwelling unit is a single-family dwelling or a dwelling unit in a two-family dwelling; and

(3) the household income for the person who resides in the dwelling unit is at or below a percentage of the most recent federal poverty guidelines, which percentage is to be established by the local unit or authority.

A local unit or authority that establishes a reduction under the bill is required to adopt procedures for eligibility for a reduction and for obtaining a reduction, and advertise the availability of the reduction in the bills submitted to residents in the district or service area, or in special periodical mailings to residents in the district or service area.

The bill requires that its provisions are only to apply if there is available an undesignated fund balance or there exists a sufficient amount of unreserved retained earnings set aside and designated to offset the projected loss in revenues that may be attributable to providing a reduction.

Further, the bill authorizes a regional sewerage authority to increase charges in excess of the two percent statutory cap, subject to Local Finance Board approval, in order to allow for reasonable increases in fees and other charges that are necessary to compensate for reductions provided for low-income persons under the bill.

COMMITTEE AMENDMENTS:

The committee amended the bill to require that its provisions are only to apply if there is available an undesignated fund balance or there exists a sufficient amount of unreserved retained earnings set aside and designated to offset the projected loss in revenues that may be attributable to providing a reduction.