

SENATE, No. 3836

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED JUNE 1, 2021

Sponsored by:

Senator JOSEPH P. CRYAN

District 20 (Union)

SYNOPSIS

Prohibits transfers from local authority's undesignated fund during public health emergency and state of emergency in response to COVID-19 pandemic.

CURRENT VERSION OF TEXT

As introduced.



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1 Authorities, in one set of 100 New Jersey municipal and authority
2 budgets, approximately \$80 million had been transferred in a three-
3 year period. That translates into \$80 million that was not invested in
4 improving infrastructure, and acts as a type of tax on ratepayers to
5 subsidize local budgets. The COVID-19 pandemic has caused
6 unemployment and imposed economic hardships on businesses. As
7 a result, authorities are experiencing significant revenue shortfalls
8 because some customers cannot pay their water, sewer and solid
9 waste fees. At the same time, municipalities and counties are
10 eligible for recently enacted federal aid to address their own
11 revenue shortfall. This bill would allow authorities to use the full
12 undesignated fund balance, funds which were specifically collected
13 to support water, wastewater and solid waste services, in order to
14 cope with these shortfalls for as long as the public health
15 emergency and state of emergency declared in response to COVID-
16 19 exists.