SYNOPSIS
Permits certain local authorities and utilities to charge reduced sewerage service rates for low-income persons.

CURRENT VERSION OF TEXT
Introduced Pending Technical Review by Legislative Counsel.

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

1. a. In addition to being authorized to establish rates or schedules as provided for in section 1 of P.L.1994, c.78 (C.40:14A-8.2), any county or municipal sewerage authority, which bills individual retail customer accounts, may, to the extent permitted by federal law, annually establish within its district rates or schedules which provide for a reduction of the periodic rents, rates, fees, or other charges for the use or services of the sewerage system which are charged to or collected from any person residing in the district, provided that:

   (1) the person is the owner or tenant of the dwelling unit that is the residence of the person in the district;
   (2) the dwelling unit that is the residence of the person in the district is a one-family dwelling or a dwelling unit in a two-family dwelling; and
   (3) the household income for the dwelling unit that is the residence of the person in the district is at or below a percentage of the most recent federal poverty guidelines, which percentage is established by the county or municipal sewerage authority.

b. A county or municipal sewerage authority that establishes a reduction pursuant to subsection a. of this section shall adopt procedures for establishing eligibility and obtaining a reduction, and shall advertise the availability of the reduction in the bills submitted to residents in the district for periodic rents, rates, fees, or other charges for the use or services of the sewerage system, or in special periodic mailings to residents in the district.

c. As used in this section:

   “Dwelling unit” means a structure, or portion thereof, which serves primarily as a residence for one or more persons.

   “Household income” means the total income from all sources during the last full calendar year of an owner or tenant of a dwelling unit in the district and any immediate family member residing with the owner or tenant.

2. a. In addition to being authorized to establish rates or schedules as provided for in section 1 of P.L.1992, c.215 (C.40:14B-22.2), any municipal authority, which bills individual retail customer accounts, may, to the extent permitted by federal law, annually establish within its district rates or schedules which provide for a reduction of the periodic rents, rates, fees, or other charges for the use or services of the sewerage system which are
charged to or collected from any person residing in the district, provided that:

1. (1) the person is the owner or tenant of the dwelling unit that is the residence of the person in the district;

2. (2) the dwelling unit that is the residence of the person in the district is a one-family dwelling or a dwelling unit in a two-family dwelling; and

3. (3) the household income for the dwelling unit that is the residence of the person in the district is at or below a percentage of the most recent federal poverty guidelines, which percentage is established by the municipal authority.

b. A municipal authority that establishes a reduction pursuant to subsection a. of this section shall adopt procedures for establishing eligibility and obtaining a reduction, and shall advertise the availability of the reduction in the bills submitted to residents in the district for periodic rents, rates, fees, or other charges for the use or services of the sewerage system, or in special periodic mailings to residents in the district.

c. As used in this section:

“Dwelling unit” means a structure, or portion thereof, which serves primarily as a residence for one or more persons.

“Household income” means the total income from all sources during the last full calendar year of an owner or tenant of a dwelling unit in the district and any immediate family member residing with the owner or tenant.

3. a. In addition to being authorized to establish rates or schedules as provided for in section 5 of P.L.1994, c.78 (C.40:26A-10.1), any local unit operating a county or municipal sewerage facility, which bills individual retail customer accounts, may, to the extent permitted by federal law, annually establish within its district rates or schedules which provide for a reduction of the periodic rents, rates, fees, or other charges for the use or services of the sewerage system which are charged to or collected from any person residing in the district, provided that:

1. (1) the person is the owner or tenant of the dwelling unit that is the residence of the person in the district;

2. (2) the dwelling unit that is the residence of the person in the district is a one-family dwelling or a dwelling unit in a two-family dwelling; and

3. (3) the household income for the dwelling unit that is the residence of the person in the district is at or below a percentage of the most recent federal poverty guidelines, which percentage is established by the local unit operating a county or municipal sewerage facility.

b. A local unit operating a county or municipal sewerage facility that establishes a reduction pursuant to subsection a. of this section shall adopt procedures for establishing eligibility and
obtaining a reduction, and shall advertise the availability of the reduction in the bills submitted to residents in the district for periodic rents, rates, fees, or other charges for the use or services of the sewerage system, or in special periodic mailings to residents in the district.

c. As used in this section:

“Dwelling unit” means a structure, or portion thereof, which serves primarily as a residence for one or more persons.

“Household income” means the total income from all sources during the last full calendar year of an owner or tenant of a dwelling unit in the district and any immediate family member residing with the owner or tenant.

4. This act shall take effect immediately, but any rate reduction shall remain inoperative until the first day of the fourth month next following the date of enactment.

STATEMENT

This bill would allow county and municipal sewerage authorities, utilities authorities, and sewerage utilities, to reduce sewerage service rates for households with incomes at or below a certain percentage of the most recent federal poverty guidelines, which percentage would be set by the authority or utility, as applicable. The bill would allow these local authorities and utilities to provide affordable sewerage services for persons of limited means.

Current law allows these local authorities and utilities to reduce or totally abate general sewerage service rates for persons who are 65 years of age or older or are disabled, and who also meet certain statutorily-based income requirements. This bill would extend the option of providing reduced general sewerage service rates to all low-income persons based on eligibility requirements set by the local authority or utility. These local authorities and utilities would still be permitted to reduce or abate general sewerage service rates for persons who are 65 years of age or older or are disabled as is currently provided by law.