

SENATE, No. 1247

STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED JANUARY 25, 2018

Sponsored by:

Senator RONALD L. RICE

District 28 (Essex)

Senator THOMAS H. KEAN, JR.

District 21 (Morris, Somerset and Union)

SYNOPSIS

Authorizes certain local government utilities to impose additional connection fees; requires certain new credits and reductions for these fees.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/27/2018)

1 AN ACT concerning certain utility connection fees, supplementing
2 Title 40 of the Revised Statutes and Title 40A of the New Jersey
3 Statutes, and amending P.L.2005, c.29.

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

7
8 1. (New section) a. For a property connected to the sewerage
9 system for less than 20 years, a sewerage authority may charge an
10 additional connection or tapping fee for an addition, alteration, or
11 change in use that materially increases the level of use and imposes
12 a greater demand on the sewerage system, but does not involve a
13 new physical connection of the property to the sewerage system.

14 b. The connection or tapping fee authorized by subsection a. of
15 this section shall be equal to the amount by which the increased use
16 and demand on the sewerage system exceeds the use and demand
17 that existed prior to such addition, alteration, or change in use.

18 c. Nothing in this section shall be construed to preclude a
19 sewerage authority from charging a new or additional connection or
20 tapping fee for any new or additional connection of a property to
21 the sewerage system, or for any increase in the size of an existing
22 connection to the sewerage system that increases the level of use or
23 demand on the sewerage system.

24 d. As used in this section, “materially increases” means any
25 increase in the number of service units; or any other change which
26 increases the level of use or demand on the sewerage system by 15
27 percent or more over the highest actual annual use and demand that
28 existed during the prior 10-year period immediately preceding the
29 addition, alteration, or change in use; provided, however, that, if the
30 property has been connected to the sewerage system for less than 10
31 years, the average level of use and demand shall be calculated based
32 on the actual period of connection.

33
34 2. (New section) a. A sewerage authority shall provide a
35 credit applicable toward a connection or tapping fee to be charged
36 for a reconnection of a disconnected property that was previously
37 connected to the sewerage system, provided that:

38 (1) the property has been connected to the sewerage system for
39 at least 20 years; and

40 (2) service charges have been paid for the property in at least
41 one of the last five years.

42 b. The credit required under subsection a. of this section shall
43 be calculated as follows:

44 (1) If the reconnection does not require any new physical
45 connection or does not increase the nature or size of the service or

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.

1 the number of services units, or does not expand the use of the
2 sewerage system, the credit shall be equal in amount to the new
3 connection or tapping fee.

4 (2) If the reconnection requires a new physical connection,
5 increases the nature or size of the service or the number of service
6 units, or expands the use of the sewerage system, the credit shall be
7 equal in amount to any connection or tapping fee previously paid
8 for the property, and the sewerage authority shall charge the
9 difference between the credit and the connection or tapping fee for
10 the new use or class.

11 (3) If no connection or tapping fee was ever paid for the
12 property, but all service charges due and owing on the property
13 have been paid for at least 20 years, the credit shall be equal in
14 amount to the new connection or tapping fee; provided, however,
15 that any charges due and owing pursuant to paragraph (2) of this
16 subsection shall be paid.

17 c. If no connection or tapping fee was ever paid for a
18 disconnected property that is to be reconnected and which was
19 previously connected to the sewerage system for at least 20 years,
20 the sewerage authority shall charge, in addition to any amount due
21 and owing after application of a credit pursuant to this section, a
22 connection or tapping fee equal to the lesser of:

23 (1) 20 percent of the service charges that would have been paid
24 based upon the usage for the last full year that the property was
25 connected to the sewerage system for the period from the date of
26 the disconnection from the sewerage system to the date of the new
27 connection; or

28 (2) the new connection fee.

29 d. A credit shall not be allowed under this section for a
30 property that has been disconnected from the sewerage system for
31 more than five years.

32 e. As used in this section, "disconnected property" means a
33 property that has been physically disconnected from the sewerage
34 system or a property not physically disconnected but to which
35 service has been discontinued without payments being made. A
36 "disconnected property" shall not include a property that has been
37 temporarily disconnected from the sewerage system or to which
38 service has been discontinued without payments being made for less
39 than 12 consecutive months and is being reconnected as it existed,
40 prior to the temporary disconnection or discontinuance of service.

41

42 3. Section 2 of P.L.2005, c.29 (C.40:14A-8.3) is amended to
43 read as follows:

44 2. a. A county, regional or municipal sewerage authority shall
45 establish within its rates or schedules a 50% reduction in the
46 connection fee or tapping fee assessed pursuant to section 8 of
47 P.L.1946, c.138 (C.40:14A-8) for new connections to the sewerage
48 system which is to be charged to public housing authorities **[and]** .

1 to non-profit organizations building affordable housing projects ,
2 and to any other affordable housing, including affordable housing
3 units in inclusionary projects.

4 b. For units previously connected to the authority's system that
5 were demolished or refurbished to allow for new affordable housing
6 units and for which a connection or tapping fee was previously
7 paid, a county, regional or municipal sewerage authority shall
8 establish within its rates or schedules a credit against the connection
9 fee or tapping fee to be assessed for connection with the sewerage
10 system to public housing authorities **【and】** , non-profit
11 organizations building affordable projects , and to any other
12 affordable housing, including affordable housing units in
13 inclusionary projects. The credit shall be the connection fee or
14 tapping fee previously assessed and paid for connection with the
15 sewerage system for units previously connected to the authority's
16 system.

17 c. The connection fee or tapping fee assessable against a public
18 housing authority **【or】** , non-profit organization , or other
19 affordable housing owner, for units previously connected to the
20 authority's system that were demolished or refurbished to allow for
21 new affordable housing units, including affordable housing units in
22 inclusionary projects, shall be the lesser of the reduced rate
23 provided for in subsection a. of this section, or the current non-
24 reduced rate applicable to other types of housing developments
25 minus the credit provided under subsection b. of this section for
26 units for which a connection fee or tapping fee was previously paid,
27 provided that said public housing authority **【or】** , non-profit
28 organization , or other affordable housing owner can establish the
29 connection fee or tapping fee was previously assessed and paid for
30 connection with the system. If the same cannot be established, the
31 reduced rate provided for in subsection a. of this section shall be
32 assessed.

33 (cf: P.L.2005, c.29, s.2)

34

35 4. (New section) a. For a property connected to the water or
36 sewerage system for less than 20 years, a municipal authority may
37 charge an additional connection or tapping fee for an addition,
38 alteration, or change in use that materially increases the level of use
39 and imposes a greater demand on the water or sewerage system, but
40 does not involve a new physical connection of the property to the
41 water or sewerage system.

42 b. The connection or tapping fee authorized by subsection a. of
43 this section shall be equal to the amount by which the increased use
44 and demand on the water or sewerage system exceeds the use and
45 demand that existed prior to such addition, alteration, or change in
46 use.

47 c. Nothing in this section shall be construed to preclude a
48 municipal authority from charging a new or additional connection

1 or tapping fee for any new or additional connection of a property to
2 the water or sewerage system, or for any increase in the size of an
3 existing connection to the water or sewerage system that increases
4 the level of use or demand on the water or sewerage system.

5 d. As used in this section, “materially increases” means any
6 increase in the number of service units; or any other change which
7 increases the level of use or demand on the water or sewerage
8 system by 15 percent or more over the highest actual annual use and
9 demand that existed during the prior 10-year period immediately
10 preceding the addition, alteration, or change in use; provided,
11 however, that, if the property has been connected to the water or
12 sewerage system for less than 10 years, the average level of use and
13 demand shall be calculated based on the actual period of
14 connection.

15

16 5. (New section) a. A municipal authority shall provide a
17 credit applicable toward a connection or tapping fee to be charged
18 for a reconnection of a disconnected property that was previously
19 connected to the water or sewerage system, provided that:

20 (1) the property has been connected to the water or sewerage
21 system for at least 20 years; and

22 (2) service charges have been paid for the property in at least
23 one of the last five years.

24 b. The credit required under subsection a. of this section shall
25 be calculated as follows:

26 (1) If the reconnection does not require any new physical
27 connection or does not increase the nature or size of the service or
28 the number of services units, or does not expand the use of the
29 water or sewerage system, the credit shall be equal in amount to the
30 new connection or tapping fee.

31 (2) If the reconnection requires a new physical connection,
32 increases the nature or size of the service or the number of service
33 units, or expands the use of the water or sewerage system, the credit
34 shall be equal in amount to any connection or tapping fee
35 previously paid for the property, and the municipal authority shall
36 charge the difference between the credit and the connection or
37 tapping fee for the new use or class.

38 (3) If no connection or tapping fee was ever paid for the
39 property, but all service charges due and owing on the property
40 have been paid for at least 20 years, the credit shall be equal in
41 amount to the new connection or tapping fee; provided, however,
42 that any charges due and owing pursuant to paragraph (2) of this
43 subsection shall be paid.

44 c. If no connection or tapping fee was ever paid for a
45 disconnected property that is to be reconnected and which was
46 previously connected to the water or sewerage system for at least 20
47 years, the municipal authority shall charge, in addition to any

1 amount due and owing after application of a credit pursuant to this
2 section, a connection or tapping fee equal to the lesser of:

3 (1) 20 percent of the service charges that would have been paid
4 based upon the usage for the last full year that the property was
5 connected to the water or sewerage system for the period from the
6 date of the disconnection from the water or sewerage system to the
7 date of the new connection; or

8 (2) the new connection fee.

9 d. A credit shall not be allowed under this section for a
10 property that has been disconnected from the water or sewerage
11 system for more than five years.

12 e. As used in this section, "disconnected property" means a
13 property that has been physically disconnected from the water or
14 sewerage system or a property not physically disconnected but to
15 which service has been discontinued without payments being made.
16 A "disconnected property" shall not include a property that has
17 been temporarily disconnected from the water or sewerage system
18 or to which service has been discontinued without payments being
19 made for less than 12 consecutive months and is being reconnected
20 as it existed, prior to the temporary disconnection or discontinuance
21 of service.

22
23 6. Section 5 of P.L.2005, c.29 (C.40:14B-22.3) is amended to
24 read as follows:

25 5. a. A county, regional or municipal utilities authority shall
26 establish within its rates or schedules a 50% reduction in the
27 connection fee or tapping fee assessed pursuant to section 21 of
28 P.L.1957, c.183 (C.40:14B-21) for new connections to the water
29 system and a 50% reduction in the connection fee or tapping fee
30 assessed pursuant to section 22 of P.L.1957, c.183 (C.40:14B-22)
31 for new connections to the sewerage system which are to be
32 charged to public housing authorities **【and】** , to non-profit
33 organizations building affordable housing projects , and to any
34 other affordable housing, including affordable housing units in
35 inclusionary projects.

36 b. For units previously connected to the authority's system that
37 were demolished or refurbished to allow for new affordable housing
38 units and for which a connection fee was previously paid, a county,
39 regional or municipal utilities authority shall establish within its
40 rates or schedules a credit against the connection fee or tapping fee
41 to be assessed for connection with the water system or the sewerage
42 system to public housing authorities **【and】** , non-profit
43 organizations building affordable housing projects , and to any
44 other affordable housing, including affordable housing units in
45 inclusionary projects. The credit shall be the connection fee or
46 tapping fee previously assessed and paid for connection with the
47 water system or the sewerage system for units previously connected
48 to the authority's system.

1 c. The connection fee or tapping fee assessable against a public
2 housing authority **【or】** , non-profit organization , or other
3 affordable housing owner, for units previously connected to the
4 authority's system that were demolished or refurbished to allow for
5 new affordable housing units, including affordable housing units in
6 inclusionary projects, shall be the lesser of the reduced rate
7 provided for in subsection a. of this section, or the current non-
8 reduced rate applicable to other types of housing developments
9 minus the credit provided under subsection b. of this section for
10 units for which a connection fee or tapping fee was previously paid,
11 provided that said public housing authority **【or】** , non-profit
12 organization , or other affordable housing owner can establish the
13 connection fee or tapping fee was previously assessed and paid for
14 connection with the system. If the same cannot be established, the
15 reduced rate provided for in subsection a. of this section shall be
16 assessed.

17 (cf: P.L.2005, c.29, s.5)

18

19 7. (New section) a. For a property connected to the sewerage
20 system for less than 20 years, a local unit operating a county or
21 municipal sewerage facility may charge an additional connection or
22 tapping fee for an addition, alteration, or change in use that
23 materially increases the level of use and imposes a greater demand
24 on the sewerage system, but does not involve a new physical
25 connection of the property to the sewerage system.

26 b. The connection or tapping fee authorized by subsection a. of
27 this section shall be equal to the amount by which the increased use
28 and demand on the sewerage system exceeds the use and demand
29 that existed prior to such addition, alteration, or change in use.

30 c. Nothing in this section shall be construed to preclude a local
31 unit operating a county or municipal sewerage facility from
32 charging a new or additional connection or tapping fee for any new
33 or additional connection of a property to the sewerage system, or
34 for any increase in the size of an existing connection to the
35 sewerage system that increases the level of use or demand on the
36 sewerage system.

37 d. As used in this section, “materially increases” means any
38 increase in the number of service units; or any other change which
39 increases the level of use or demand on the sewerage system by 15
40 percent or more over the highest actual annual use and demand that
41 existed during the prior 10-year period immediately preceding the
42 addition, alteration, or change in use; provided, however, that, if the
43 property has been connected to the sewerage system for less than 10
44 years, the average level of use and demand shall be calculated based
45 on the actual period of connection.

46

47 8. (New section) a. A local unit operating a county or
48 municipal sewerage facility shall provide a credit applicable toward

1 a connection or tapping fee to be charged for a reconnection of a
2 disconnected property that was previously connected to the
3 sewerage system, provided that:

4 (1) the property has been connected to the sewerage system for
5 at least 20 years; and

6 (2) service charges have been paid for the property in at least
7 one of the last five years.

8 b. The credit required under subsection a. of this section shall
9 be calculated as follows:

10 (1) If the reconnection does not require any new physical
11 connection or does not increase the nature or size of the service or
12 the number of services units, or does not expand the use of the
13 sewerage system, the credit shall be equal in amount to the new
14 connection or tapping fee.

15 (2) If the reconnection requires a new physical connection,
16 increases the nature or size of the service or the number of service
17 units, or expands the use of the sewerage system, the credit shall be
18 equal in amount to any connection or tapping fee previously paid
19 for the property, and the local unit shall charge the difference
20 between the credit and the connection or tapping fee for the new use
21 or class.

22 (3) If no connection or tapping fee was ever paid for the
23 property, but all service charges due and owing on the property
24 have been paid for at least 20 years, the credit shall be equal in
25 amount to the new connection or tapping fee; provided, however,
26 that any charges due and owing pursuant to paragraph (2) of this
27 subsection shall be paid.

28 c. If no connection or tapping fee was ever paid for a
29 disconnected property that is to be reconnected and which was
30 previously connected to the sewerage system for at least 20 years,
31 the local unit shall charge, in addition to any amount due and owing
32 after application of a credit pursuant to this section, a connection or
33 tapping fee equal to the lesser of:

34 (1) 20 percent of the service charges that would have been paid
35 based upon the usage for the last full year that the property was
36 connected to the sewerage system for the period from the date of
37 the disconnection from the sewerage system to the date of the new
38 connection; or

39 (2) the new connection fee.

40 d. A credit shall not be allowed under this section for a
41 property that has been disconnected from the sewerage system for
42 more than five years.

43 e. As used in this section, “disconnected property” means a
44 property that has been physically disconnected from the sewerage
45 system or a property not physically disconnected but to which
46 service has been discontinued without payments being made. A
47 “disconnected property” shall not include a property that has been
48 temporarily disconnected from the sewerage system or to which

1 service has been discontinued without payments being made for less
2 than 12 consecutive months and is being reconnected as it existed,
3 prior to the temporary disconnection or discontinuance of service.
4

5 9. (New section) a. A local unit operating a county or
6 municipal sewerage facility shall establish within its rates or
7 schedules a 50% reduction in the connection fee or tapping fee
8 assessed pursuant to N.J.S.40A:26A-11 for new connections to the
9 sewerage system which is to be charged to public housing
10 authorities, non-profit organizations building affordable housing
11 projects, and any other affordable housing, including affordable
12 housing units in inclusionary projects.

13 b. For units previously connected to the local unit's system that
14 were demolished or refurbished to allow for new affordable housing
15 units and for which a connection or tapping fee was previously
16 paid, a local unit operating a county or municipal sewerage facility
17 shall establish within its rates or schedules a credit against the
18 connection fee or tapping fee to be assessed for connection with the
19 sewerage system to public housing authorities, non-profit
20 organizations building affordable projects, and to any other
21 affordable housing, including affordable housing units in
22 inclusionary projects. The credit shall be the connection fee or
23 tapping fee previously assessed and paid, for connection with the
24 sewerage system for units previously connected to the local unit's
25 system.

26 c. The connection fee or tapping fee assessable against a public
27 housing authority, non-profit organization, or other affordable
28 housing owner, for units previously connected to the local unit's
29 system that were demolished or refurbished to allow for new
30 affordable housing units, including affordable housing units in
31 inclusionary projects, shall be the lesser of the reduced rate
32 provided for in subsection a. of this section, or the current non-
33 reduced rate applicable to other types of housing developments
34 minus the credit provided under subsection b. of this section for
35 units for which a connection fee or tapping fee was previously paid,
36 provided that such public housing authority, non-profit
37 organization, or other affordable housing owner can establish the
38 connection fee or tapping fee was previously assessed and paid for
39 connection with the system. If such previous assessment and
40 payment cannot be established, the reduced rate provided for in
41 subsection a. of this section shall be assessed.
42

43 10. (New section) a. For a property connected to the water
44 supply system for less than 20 years, a local unit operating a county
45 or municipal water supply facility may charge an additional
46 connection or tapping fee for an addition, alteration, or change in
47 use that materially increases the level of use and imposes a greater

1 demand on the water supply system, but does not involve a new
2 physical connection of the property to the water supply system.

3 b. The connection or tapping fee authorized by subsection a. of
4 this section shall be equal to the amount by which the increased use
5 and demand on the water supply system exceeds the use and
6 demand that existed prior to such addition, alteration, or change in
7 use.

8 c. Nothing in this section shall be construed to preclude a local
9 unit operating a county or municipal water supply facility from
10 charging a new or additional connection or tapping fee for any new
11 or additional connection of a property to the water supply system,
12 or for any increase in the size of an existing connection to the water
13 supply system that increases the level of use or demand on the
14 water supply system.

15 d. As used in this section, “materially increases” means any
16 increase in the number of service units; or any other change which
17 increases the level of use or demand on the water supply system by
18 15 percent or more over the highest actual annual use and demand
19 that existed during the prior 10-year period immediately preceding
20 the addition, alteration, or change in use; provided, however, that, if
21 the property has been connected to the water supply system for less
22 than 10 years, the average level of use and demand shall be
23 calculated based on the actual period of connection.

24

25 11. (New section) a. A local unit operating a county or
26 municipal water supply facility shall provide a credit applicable
27 toward a connection or tapping fee to be charged for a reconnection
28 of a disconnected property that was previously connected to the
29 water supply system, provided that:

30 (1) the property has been connected to the water supply system
31 for at least 20 years; and

32 (2) service charges have been paid for the property in at least
33 one of the last five years.

34 b. The credit required under subsection a. of this section shall
35 be calculated as follows:

36 (1) If the reconnection does not require any new physical
37 connection or does not increase the nature or size of the service or
38 the number of services units, or does not expand the use of the
39 water supply system, the credit shall be equal in amount to the new
40 connection or tapping fee.

41 (2) If the reconnection requires a new physical connection,
42 increases the nature or size of the service or the number of service
43 units, or expands the use of the water supply system, the credit shall
44 be equal in amount to any connection or tapping fee previously paid
45 for the property, and the local unit shall charge the difference
46 between the credit and the connection or tapping fee for the new use
47 or class.

1 (3) If no connection or tapping fee was ever paid for the
2 property, but all service charges due and owing on the property
3 have been paid for at least 20 years, the credit shall be equal in
4 amount to the new connection or tapping fee; provided, however,
5 that any charges due and owing pursuant to paragraph (2) of this
6 subsection shall be paid.

7 c. If no connection or tapping fee was ever paid for a
8 disconnected property that is to be reconnected and which was
9 previously connected to the water supply system for at least 20
10 years, the local unit shall charge, in addition to any amount due and
11 owing after application of a credit pursuant to this section, a
12 connection or tapping fee equal to the lesser of:

13 (1) 20 percent of the service charges that would have been paid
14 based upon the usage for the last full year that the property was
15 connected to the water supply system for the period from the date of
16 the disconnection from the water supply system to the date of the
17 new connection; or

18 (2) the new connection fee.

19 d. A credit shall not be allowed under this section for a
20 property that has been disconnected from the water supply system
21 for more than five years.

22 e. As used in this section, “disconnected property” means a
23 property that has been physically disconnected from the water
24 supply system or a property not physically disconnected but to
25 which service has been discontinued without payments being made.
26 A “disconnected property” shall not include a property that has
27 been temporarily disconnected from the water supply system or to
28 which service has been discontinued without payments being made
29 for less than 12 consecutive months and is being reconnected as it
30 existed, prior to the temporary disconnection or discontinuance of
31 service.

32

33 12. (New section) a. A local unit operating a county or
34 municipal water supply facility shall establish within its rates or
35 schedules a 50% reduction in the connection fee or tapping fee
36 assessed pursuant to N.J.S.40A:31-11 for new connections to the
37 water supply system which is to be charged to public housing
38 authorities, non-profit organizations building affordable housing
39 projects, and any other affordable housing, including affordable
40 housing units in inclusionary projects.

41 b. For units previously connected to the local unit’s system that
42 were demolished or refurbished to allow for new affordable housing
43 units and for which a connection or tapping fee was previously
44 paid, a local unit operating a county or municipal water supply
45 facility shall establish within its rates or schedules a credit against
46 the connection fee or tapping fee to be assessed for connection with
47 the water supply system to public housing authorities, non-profit
48 organizations building affordable projects, and to any other

1 affordable housing, including affordable housing units in
2 inclusionary projects. The credit shall be the connection fee or
3 tapping fee previously assessed and paid, for connection with the
4 water supply system for units previously connected to the local
5 unit's system.

6 c. The connection fee or tapping fee assessable against a public
7 housing authority, non-profit organization, or other affordable
8 housing owner, for units previously connected to the local unit's
9 system that were demolished or refurbished to allow for new
10 affordable housing units, including affordable housing units in
11 inclusionary projects, shall be the lesser of the reduced rate
12 provided for in subsection a. of this section, or the current non-
13 reduced rate applicable to other types of housing developments
14 minus the credit provided under subsection b. of this section for
15 units for which a connection fee or tapping fee was previously paid,
16 provided that such public housing authority, non-profit
17 organization, or other affordable housing owner can establish the
18 connection fee or tapping fee was previously assessed and paid for
19 connection with the system. If such previous assessment and
20 payment cannot be established, the reduced rate provided for in
21 subsection a. of this section shall be assessed.

22

23 13. This act shall take effect immediately.

24

25

26

STATEMENT

27

28 This bill authorizes additional connection fees for certain utilities
29 operated by local governments and establishes certain credits and
30 reductions for these fees. The local government entities covered by
31 the bill are: sewerage authorities under the "sewerage authorities
32 law," P.L.1946, c.138 (C.40:14A-1 et seq.); municipal authorities
33 under the "municipal and county utilities authorities law,"
34 P.L.1957, c.183 (C.40:14B-1 et seq.); and local units operating
35 either a county or municipal sewerage facility or water supply
36 facility under the "Municipal and County Sewerage Act,"
37 N.J.S.40A:26A-1 et seq., and the "County and Municipal Water
38 Supply Act," N.J.S.40A:31-1 et seq., respectively. The purpose of
39 this bill is to make the assessment of these utility connection fees
40 more equitable.

41 The bill allows new connection fees to be imposed for an
42 addition, alteration, or change in use that materially increases the
43 level of use and imposes a greater demand on the utility system, but
44 does not involve a new physical connection of the property to the
45 system. This additional fee is equal to the amount by which the
46 increased use and demand on the utility system exceeds the use and
47 demand that existed prior to the addition, alteration, or change in

1 use. Such additional fee does not take the place of fees for any new
2 or additional connections.

3 The bill also requires credits to be applied to connection fees
4 charged for a reconnection of certain disconnected properties that
5 were previously connected to the utility system. If the reconnection
6 does not require any new physical connection or does not increase
7 the nature or size of the service or the number of services units, or
8 does not expand the use of the utility system, the credit is equal to
9 the amount of the new connection fee. If the reconnection requires
10 any of the foregoing, the credit is equal to the amount of any
11 connection fee previously paid for the property. If no connection
12 fee was ever paid for the property, but all service charges due and
13 owing on the property have been paid for at least 20 years, the
14 credit is equal to the amount of the new connection fee.

15 However, if no connection fee was ever paid for certain
16 disconnected properties, a connection fee is to be charged in
17 addition to any amount due and owing after application of a credit.
18 The bill provides for this fee to be equal to the lesser of: (1) 20
19 percent of the service charges that would have been paid based
20 upon the usage for the last full year that the property was connected
21 to the utility system for the period from the date of the
22 disconnection from the utility system to the date of the new
23 connection; or (2) the new connection fee.

24 Lastly, the bill provides that the existing connection fee
25 reductions for certain types of affordable housing serviced by
26 sewerage authorities and municipal authorities is to be extended to
27 all affordable housing, including affordable housing units in
28 inclusionary projects. The bill also newly establishes the same
29 connection fee reductions for all affordable housing serviced by
30 local units operating a county or municipal sewerage facility or
31 water supply facility.