

[First Reprint]
ASSEMBLY, No. 654

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblyman ZECKER

1 AN ACT concerning water rent liens and amending R.S.40:62-141.

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

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6 1. R.S.40:62-141 is amended to read as follows:

7 40:62-141. The owner of any house, tenement, building or lot shall
8 be liable for the payment of the price or rent as fixed by the
9 commission for the use of water by such owner or by the occupier, and
10 for the installation, purchase price, repair and testing of any water
11 meter or water meters, water service, water services, connections,
12 appliances or parts, and renewals thereof furnished or made by the
13 commission, in, upon or connecting with such house, tenement,
14 building or lot and the interest and penalties charged.

15 The price or rent so fixed, and the other costs, expenses, interest
16 and penalties, hereinafter referred to as "service charges", shall be a
17 ¹municipal¹ lien ¹pursuant to R.S.54:5-2¹ upon such house, tenement,
18 building or lot until the same shall be paid and satisfied, and shall be
19 enforceable by ¹[an action at law in any competent court] selling the
20 property in the manner set forth in the "tax sale law," R.S.54:5-1 et
21 seq¹.

22 ¹[In the event that any service charges of the commission with
23 regard to any parcel of real property owned by any person other than
24 the State or an agency or subdivision thereof shall not be paid as and
25 when due, the unpaid balance thereof and all interest accruing thereon
26 shall be a lien on such parcel. Such lien shall be superior and
27 paramount to the interest in such parcel of any owner, lessee, tenant,
28 mortgagee or other person except the lien of municipal taxes and shall
29 be on a parity with and deemed equal to the lien on such parcel of the
30 municipality where such parcel is situate for taxes thereon due in the
31 same year and not paid when due. Such lien shall not bind or affect a

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and 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 ALG committee amendments adopted March 25, 1996.

1 subsequent bona fide purchaser of such parcel for a valuable
2 consideration without actual notice of such lien, unless the commission
3 shall have filed in the office of the collector or other officer of said
4 municipality charged with the duty of enforcing municipal liens on real
5 property a statement showing the amount and due date of such unpaid
6 balance and identifying such parcel, which identification may be
7 sufficiently made by reference to the assessment map of said
8 municipality. The information shown in such statement shall be
9 included in any certificate with respect to said parcel thereafter made
10 by the official of said municipality vested with the power to make
11 official certificates of searches for municipal liens. Whenever such
12 service charge and any subsequent service charge with regard to such
13 parcel and all interest accrued thereon shall have been fully paid to the
14 commission, such statement shall be promptly withdrawn or canceled
15 by the commission.

16 The collector or other officer of every municipality charged by law
17 with the duty of enforcing municipal liens on real property shall
18 enforce, with and as any other municipal lien on real property in such
19 municipality, all service charges and the lien thereof shown in any
20 statement filed with him by the commission, and shall pay over to the
21 commission the sums or a pro rata share of the sums realized upon
22 such enforcement or upon liquidation of any property acquired by the
23 municipality by virtue of such enforcement.]¹

24 The commission shall notify the officers or board having charge of
25 the collection of taxes in each municipality in which the commission
26 shall supply water to any of the inhabitants of such municipality, that
27 the commission is supplying water to such inhabitants, and requesting
28 said officials or board to notify all persons applying for a certificate
29 showing municipal or other liens against property in such municipality,
30 that the applicant must apply to the commission to ascertain the
31 amount of water rents or other charges due to the commission, which
32 are by law made a lien upon the premises covered by the certificate.

33 The commission may require payment in advance for the use or rent
34 of water furnished by it and for any work to be done or materials to be
35 furnished.

36 (cf: R.S.40:62-141)

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38 2. This act shall take effect immediately.

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44 Requires that unpaid water liens constitute a first lien against property
in matters of foreclosure.