

ASSEMBLY, No. 1377

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblymen STEELE and PASCRELL

1 **AN ACT** concerning water rights, and supplementing P.L.1981, c.262.

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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. a. The Legislature finds that the City of Paterson is recognized
7 as the birthplace of modern manufacturing in New Jersey and as the
8 successor in interest to the Society for Establishing Useful
9 Manufactures (S.U.M.), created by an act of the Legislature in 1791
10 (L.1791, Pat.104); that the City of Paterson and its agencies and
11 instrumentalities are entitled to the full use and undiminished flow of
12 the waters of the Passaic River at the Great Falls in the City of
13 Paterson as successors in interest to the S.U.M.; and that these
14 historical water rights are critical to the needs of the City of Paterson
15 and its inhabitants.

16 b. The Legislature therefore declares that the historical water rights
17 to which the City of Paterson and its agencies and instrumentalities are
18 lawfully entitled to as successors in interest to the S.U.M. are hereby
19 fully vested in the City of Paterson and its agencies and
20 instrumentalities.

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22 2. a. The historical water rights of the City of Paterson and its
23 agencies and instrumentalities to the full use and undiminished flow of
24 the waters of the Passaic River at the Great Falls in the City of
25 Paterson are hereby affirmed and continued; except that, these water
26 rights shall not interfere or impede the right of the State of New
27 Jersey, through its Department of Environmental Protection, to
28 allocate the waters of the State under the water diversion permit
29 system adopted pursuant to the "Water Supply Management Act,"
30 P.L.1981, c.262 (C.58:1A-1 et seq.).

31 b. Any diversion of the waters of the Passaic River at the Great
32 Falls in the City of Paterson by a district water supply commission,
33 public or private water purveyor or any other person holding a water
34 diversion permit issued by the Department of Environmental
35 Protection pursuant to section 7 of P.L.1981, c.262 (C.58:1A-7) not

1 affiliated with, created or authorized by the City of Paterson, or any
2 agency or instrumentality thereof, shall entitle the City of Paterson and
3 its agencies and instrumentalities to just compensation for the taking
4 of its lawful water rights.

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6 3. Any district water supply commission, public or private water
7 purveyor or any other person diverting or claiming a right to divert
8 more than 100,000 gallons of water per day from the waters of the
9 Passaic River at the Great Falls in the City of Paterson pursuant to
10 section 7 of P.L.1981, c.262 (C.58:1A-7) shall pay just compensation
11 to the City of Paterson and its agencies and instrumentalities in an
12 amount established by agreement between the City of Paterson and the
13 commission, water purveyor or person, as the case may be.

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15 4. This act shall take effect immediately.

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STATEMENT

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The City of Paterson is recognized as the birthplace of modern manufacturing in New Jersey and is considered the oldest industrial city in this State. The City of Paterson, which is currently celebrating its 200th anniversary, is the successor in interest to the Society for Establishing Useful Manufactures (S.U.M.), an entity created by an act of the Legislature in 1791 and granted the rights to acquire properties, lands and water rights to the Passaic River at the Great Falls in the City of Paterson in order to establish and promote manufacturing in that area.

29 The City of Paterson and its agencies and instrumentalities are
30 entitled to the full use and undiminished flow of the waters of the
31 Passaic River at the Great Falls in the City of Paterson as successors
32 in interest to the S.U.M. under the 1791 legislative act.

This bill affirms and continues these historical water rights and provides that any diversion of water from the Passaic River at the Great Falls by a person or agency of the State not affiliated with, created or authorized by the City of Paterson would entitle the City of Paterson to just compensation for the taking of its lawful water rights. These historical water rights would not interfere or impede the right of the State to allocate any waters of the State under the water diversion permit system adopted pursuant to the "Water Supply Management Act." P.L.1981, c.262 (C.58:1A-1 et seq.).

42 Specifically, the bill provides that any diversion of the waters of the
43 Passaic River at the Great Falls in the City of Paterson by a district
44 water supply commission, public or private water purveyor or any
45 other person holding a water diversion permit issued by the
46 Department of Environmental Protection pursuant to the "Water

1 Supply Management Act" would entitle the City of Paterson and its
2 agencies and instrumentalities to just compensation for the taking of
3 its lawful water rights in an amount to be established by agreement
4 between the City of Paterson and the commission, water purveyor or
5 person diverting the water.

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10 Affirms the City of Paterson's historical water rights to the Passaic
11 River at the Great Falls.