

**ASSEMBLY CONCURRENT
RESOLUTION No. 134**

**STATE OF NEW JERSEY
213th LEGISLATURE**

INTRODUCED FEBRUARY 7, 2008

Sponsored by:

Assemblyman JOHN J. BURZICHELLI

District 3 (Salem, Cumberland and Gloucester)

Assemblyman NELSON T. ALBANO

District 1 (Cape May, Atlantic and Cumberland)

Assemblyman ALEX DECROCE

District 26 (Morris and Passaic)

Assemblyman PETER J. BIONDI

District 16 (Morris and Somerset)

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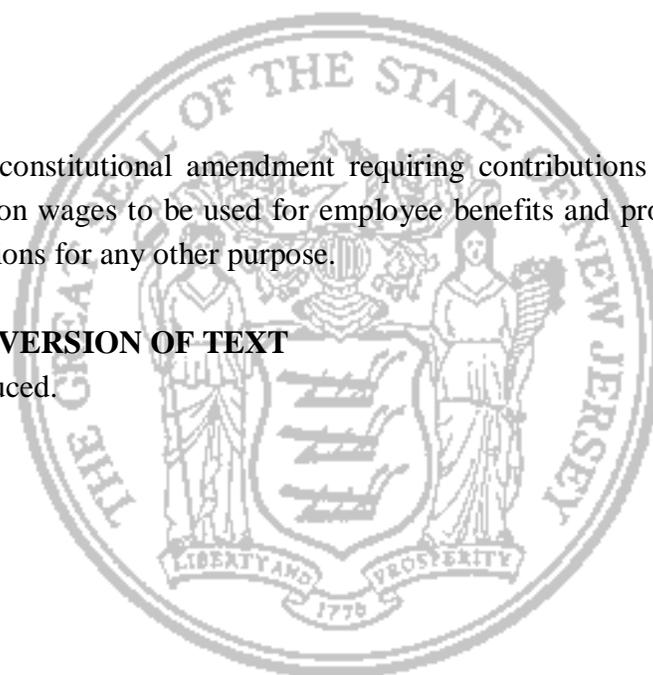
**Assemblyman E.Munoz, Assemblywoman Vainieri Huttle, Assemblyman
O'Scanlon, Assemblywomen N.Munoz and Evans**

SYNOPSIS

Proposes constitutional amendment requiring contributions collected from assessments on wages to be used for employee benefits and prohibiting use of the contributions for any other purpose.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 12/1/2009)

1 A **CONCURRENT RESOLUTION** proposing to amend Article VIII,
2 Section II of the Constitution of the State of New Jersey by
3 adding a new paragraph thereto.

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5 **BE IT RESOLVED** *by the General Assembly of the State of New*
6 *Jersey (the Senate concurring):*

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8 1. Amend Article VIII, Section II of the State Constitution by
9 adding thereto a new paragraph to read as follows:

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11 **PROPOSED AMENDMENT**

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13 8. No contributions from employers, other than the State, or
14 from employees of those employers, collected by the State entirely
15 by means of an assessment exclusively on, or exclusively measured
16 by, the wages or salaries of the employees, and no interest or
17 income derived from any investment of those contributions, shall be
18 used for any purpose other than providing benefits to employees
19 and their families or dependents. No contributions collected by the
20 State entirely by means of an assessment exclusively on, or
21 exclusively measured by, the wages or salaries of the employees of
22 the State, and no interest or income derived from any investment of
23 those contributions, shall be used for any purpose other than
24 providing benefits to employees and their families or dependents,
25 for payments to parties other than the State authorized by
26 employees or through collective bargaining agreements or required
27 by federal law, or for the collection of amounts owed by employees
28 made pursuant to law. All contributions collected by the State from
29 any employer or employee for the unemployment compensation
30 fund or any successor fund or program established to provide for
31 unemployment compensation benefits, and all interest and income
32 derived from any investment of those contributions, shall be
33 dedicated solely to the purpose of providing unemployment
34 compensation benefits. All contributions collected by the State
35 from any employer or employee for the State disability benefits
36 fund or any successor fund or program established to provide
37 temporary disability benefits, and all interest and income derived
38 from any investment of those contributions, shall be dedicated
39 solely to the purpose of providing temporary disability benefits. All
40 contributions collected by the State from any employer or insurer
41 for the Second Injury Fund or any successor fund or program
42 established to provide workers' compensation benefits, and all
43 interest and income derived from any investment of those
44 contributions, shall be dedicated solely to the purpose of providing
45 workers' compensation benefits. All contributions collected by the
46 State from any employer, employee or insurer for any other fund or
47 program established to provide any other benefits for employees,
48 including prospective employees in the case of training and

1 employment programs, and their families or dependents, and all
2 interest and income derived from any investment of those
3 contributions, shall be dedicated solely to the purpose of the
4 providing those benefits. No part of the contributions, interest or
5 income shall be directly or indirectly transferred, borrowed,
6 appropriated or used for any purpose other than providing benefits
7 pursuant to this paragraph. The requirements and limitations of this
8 paragraph shall not apply to any tax which is levied on personal
9 incomes of individuals, estates and trusts for which, pursuant to the
10 provisions of Article VIII, Section I, paragraph 7 of the
11 Constitution, the entire net receipts therefrom are annually
12 appropriated exclusively for the purpose of reducing or offsetting
13 property taxes.

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15 2. When this proposed amendment to the Constitution is finally
16 agreed to pursuant to Article IX, paragraph 1 of the Constitution, it
17 shall be submitted to the people at the next general election
18 occurring more than three months after the final agreement and
19 shall be published at least once in at least one newspaper of each
20 county designated by the President of the Senate, the Speaker of the
21 General Assembly and the Secretary of State, not less than three
22 months prior to the general election.

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24 3. This proposed amendment to the Constitution shall be
25 submitted to the people at that election in the following manner and
26 form:

27 There shall be printed on each official ballot to be used at the
28 general election, the following:

29 a. In every municipality in which voting machines are not used,
30 a legend which shall immediately precede the question, as follows:

31 If you favor the proposition printed below make a cross (X), plus
32 (+), or check (✓) in the square opposite the word "Yes." If you are
33 opposed thereto make a cross (X), plus (+) or check (✓) in the
34 square opposite the word "No."

35 b. In every municipality the following question:

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		<p>CONSTITUTIONAL AMENDMENT TO DEDICATE ASSESSMENTS ON WAGES BY THE STATE TO THE PAYMENT OF EMPLOYEE BENEFITS</p>
	<p>YES</p>	<p>Shall the amendment to Article VIII, Section II of the State Constitution, agreed to by the Legislature, which: prohibits collection by the State of assessments based solely on employee wages and salaries for any purpose other than providing employee benefits; dedicates all employer and employee contributions collected for any employee benefit fund, and all returns on investments of those contributions, to the purpose of that fund; and prohibits any transferring, borrowing, appropriating or using of those contributions or returns for any other purpose, be approved?</p>
		<p>INTERPRETIVE STATEMENT</p>
	<p>NO</p>	<p>This proposed constitutional amendment prohibits the collection by the State of assessments based on employee wages and salaries for any purpose except paying employee benefits (or making other employee-authorized or federally required payments, in the case of the State's own employees), dedicates all contributions made to the unemployment compensation fund, the State disability benefits fund, or any other employee benefit fund, and all returns on investments of those contributions, to the purpose of that fund, and prohibits the use of those contributions or returns for any other purpose. The requirements of this proposed amendment do not apply to the gross income tax, which is exclusively dedicated by the Constitution to the purpose of reducing or offsetting local property taxes.</p>

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SCHEDULE

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This constitutional amendment shall take effect on January 1 of the first calendar year following its adoption by the voters.

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STATEMENT

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This proposed constitutional amendment prohibits the State from collecting contributions from employers or employees by means of assessments on the wages or salaries of the employees for any purpose other than to provide employee benefits, and, if the State is the employer, also to make employee-authorized or federally-required payments to parties other than the State or to collect employee debts pursuant to law.

The proposed amendment dedicates all contributions collected by the State from any employee, employer or insurer for any fund or program established to provide employee benefits, including, but not limited to, the unemployment compensation fund, the State disability benefits fund, and the Second Injury Fund, solely to the purpose providing the benefits for which the program or fund is established. The proposed amendment prohibits the direct or indirect transferring, borrowing, appropriating or using of the contributions for any other purpose.

The proposed amendment also dedicates to the purpose of providing employee benefits all income or interest derived from any investment of contributions to employee benefit funds. It specifies that the contributions may be applied to benefits for any employee or employee families or dependents, not just the specific employee on whose behalf the contributions are made, and that, in the case of training and employment programs, benefits may be provided not only to current or laid off employees, but to prospective employees as well.

The requirements of the proposed amendment would not apply to the gross income tax, which is dedicated by the Constitution to the purpose of reducing or offsetting local property taxes.