

[First Reprint]  
ASSEMBLY, No. 1838

STATE OF NEW JERSEY

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1 AN ACT concerning property tax relief for local government  
2 residents <sup>1</sup>, amending R.S.43:21-5<sup>1</sup> and supplementing chapter 4 of  
3 Title 54 of the Revised Statutes.

4

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

7

8 1. <sup>1</sup>(New section)<sup>1</sup> This act shall be known and may be cited as the  
9 "Property Tax Reduction Work Act."

10

11 2. <sup>1</sup>(New section)<sup>1</sup> The Legislature finds and declares that:  
12 Property taxes remain one of the highest single expenses for State  
13 residents and are especially burdensome for seniors on fixed incomes,  
14 single-income families, and families with children in college.

15 Retired residents, homemakers and students possess many of the  
16 necessary clerical and professional skills needed for efficient running  
17 of school districts and municipal and county governments.

18 It is in the public interest to utilize the part-time talent and skills of  
19 State residents to help in the functioning of local government because  
20 it gets more people involved with their government and can lower  
21 property taxes by reducing the need for full-time employees.

22 Many State residents would be motivated to perform services for  
23 their municipality, county or school district if, in return, their property  
24 tax liability could be reduced.

**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:

<sup>1</sup> Assembly AHO committee amendments adopted June 10, 1996.

1       3. <sup>1</sup>(New section)<sup>1</sup> A municipality, county or school district may,  
2 by ordinance or resolution, as appropriate, adopt a program permitting  
3 certain residents of the county or taxing district to perform services for  
4 the county, municipality or school district in lieu of services which  
5 would normally be performed by municipal, county or school district  
6 employees. The municipality, county or school district shall designate  
7 such residents performing services as "resident associates."  
8

9       4. <sup>1</sup>(New section)<sup>1</sup> A resident associate may be any bona fide  
10 resident of the county, municipality or school district, as appropriate.  
11 The resident associate shall be qualified by education or prior work  
12 experience to perform a particular service for the county, municipality  
13 or school district.  
14

15       5. <sup>1</sup>(New section)<sup>1</sup> A resident associate may be recruited to fill  
16 <sup>1</sup>with substantially similar duties<sup>1</sup> any vacant position formerly held by  
17 a part-time or full-time employee which does not require certification  
18 from the State and was <sup>1</sup>not<sup>1</sup> funded through <sup>1</sup>[the property tax] a  
19 grant from State or federal sources<sup>1</sup>.  
20

21       6. <sup>1</sup>(New section)<sup>1</sup> A resident associate who performs services for  
22 the municipality, county or school district shall be awarded a voucher  
23 which may be used to offset the property taxes due on the residence  
24 of the resident associate within the county or taxing district, as  
25 applicable. <sup>1</sup>For the purposes of this section, "property taxes due"  
26 means taxes duly assessed against the property, including any amounts  
27 due representing interest or penalties, and any amounts for which  
28 redemption payments may be made pursuant to Title 54 of the Revised  
29 Statutes.<sup>1</sup> The property tax voucher shall not be transferrable <sup>1</sup>[and  
30 may not be used to offset the property taxes due and payable for any  
31 year other than the year for which it was issued]. A voucher shall not  
32 be applied toward property taxes which become payable in a year  
33 succeeding the year in which the voucher is earned<sup>1</sup>.  
34

35       7. <sup>1</sup>(New section)<sup>1</sup> Resident associates may be recruited to  
36 perform services only when a part-time or full-time position has been  
37 vacated in the county, municipality or school district. <sup>1</sup>[Vouchers may  
38 not be issued to resident associates in amounts that annually exceed  
39 the property tax due for that year on the property in which the resident  
40 associate resides.]<sup>1</sup>  
41

42       8. <sup>1</sup>(New section)<sup>1</sup> A resident associate shall not be entitled to any  
43 benefits or compensation <sup>1</sup>except for the required withholding of  
44 taxes.<sup>1</sup> other than a voucher to be used to offset the property tax  
45 liability of the property in the county or taxing district providing the  
46 voucher wherein the resident associate resides. <sup>1</sup>The employer of a

1 resident associate shall be responsible for withholding all federal or  
2 state taxes which may be required, and for contributions to the  
3 worker's compensation fund, and for submitting any such withheld  
4 taxes or contributions to the appropriate governmental agency.<sup>1</sup>

5  
6 9. <sup>1</sup>(New section)<sup>1</sup> A resident associate shall be paid with a  
7 property tax voucher at the rate of no more than half the annual salary  
8 of a prior part-time or full-time municipal, county or school district  
9 employee <sup>1</sup>provided such amount is not less than the mandatory  
10 minimum wage amount established under State or federal law<sup>1</sup>. Such  
11 amount shall be pro-rated on the basis of an hourly wage so as to  
12 ensure that the resident associate service does not exceed the amount  
13 of the property tax owed for that year. <sup>1</sup>The municipality, county or  
14 school district shall undertake such administrative and budgetary  
15 procedures as required to implement the purposes of this act.<sup>1</sup>

16  
17 10. <sup>1</sup>(New section)<sup>1</sup> This program may be used to help those  
18 residents whose property taxes are delinquent and against whose  
19 property foreclosure of a tax sale certificate has been initiated.

20  
21 11. <sup>1</sup>(New section)<sup>1</sup> No resident associate shall be related to a  
22 municipal, county or school district elected official or employee.

23  
24 <sup>1</sup>12. (New section) Gross income shall not include those amounts,  
25 pursuant to P.L. , c. (now pending before the Legislature as  
26 Assembly Bill No. 1838 of 1996), which were contributed by an  
27 employer on behalf of an employee, withheld as taxes, or credited to  
28 an employee in the form of a voucher to be used to offset property  
29 taxes.<sup>1</sup>

30  
31 <sup>1</sup>13. R.S.43:21-5 is amended to read as follows:

32 43:21-5. Disqualification for benefits

33 An individual shall be disqualified for benefits:

34 (a) For the week in which the individual has left work voluntarily  
35 without good cause attributable to such work, and for each week  
36 thereafter until the individual becomes reemployed and works four  
37 weeks in employment, which may include employment for the federal  
38 government, and has earned in employment at least six times the  
39 individual's weekly benefit rate, as determined in each case. This  
40 subsection shall apply to any individual seeking unemployment benefits  
41 on the basis of employment in the production and harvesting of  
42 agricultural crops, including any individual who was employed in the  
43 production and harvesting of agricultural crops on a contract basis and  
44 who has refused an offer of continuing work with that employer  
45 following the completion of the minimum period of work required to  
46 fulfill the contract.

1 (b) For the week in which the individual has been suspended or  
2 discharged for misconduct connected with the work, and for the five  
3 weeks which immediately follow that week (in addition to the waiting  
4 period), as determined in each case. In the event the discharge should  
5 be rescinded by the employer voluntarily or as a result of mediation or  
6 arbitration, this subsection (b) shall not apply, provided, however, an  
7 individual who is restored to employment with back pay shall return  
8 any benefits received under this chapter for any week of  
9 unemployment for which the individual is subsequently compensated  
10 by the employer.

11 If the discharge was for gross misconduct connected with the work  
12 because of the commission of an act punishable as a crime of the first,  
13 second, third or fourth degree under the "New Jersey Code of Criminal  
14 Justice," N.J.S.2C:1-1 et seq., the individual shall be disqualified in  
15 accordance with the disqualification prescribed in subsection (a) of this  
16 section and no benefit rights shall accrue to any individual based upon  
17 wages from that employer for services rendered prior to the day upon  
18 which the individual was discharged.

19 The director shall insure that any appeal of a determination holding  
20 the individual disqualified for gross misconduct in connection with the  
21 work shall be expeditiously processed by the appeal tribunal.

22 (c) If it is found that the individual has failed, without good cause,  
23 either to apply for available, suitable work when so directed by the  
24 employment office or the director or to accept suitable work when it  
25 is offered, or to return to the individual's customary self-employment  
26 (if any) when so directed by the director. The disqualification shall  
27 continue for the week in which the failure occurred and for the three  
28 weeks which immediately follow that week (in addition to the waiting  
29 period), as determined:

30 (1) In determining whether or not any work is suitable for an  
31 individual, consideration shall be given to the degree of risk involved  
32 to health, safety, and morals, the individual's physical fitness and prior  
33 training, experience and prior earnings, the individual's length of  
34 unemployment and prospects for securing local work in the individual's  
35 customary occupation, and the distance of the available work from the  
36 individual's residence. In the case of work in the production and  
37 harvesting of agricultural crops, the work shall be deemed to be  
38 suitable without regard to the distance of the available work from the  
39 individual's residence if all costs of transportation are provided to the  
40 individual and the terms and conditions of hire are as favorable or  
41 more favorable to the individual as the terms and conditions of the  
42 individual's base year employment.

43 (2) Notwithstanding any other provisions of this chapter, no work  
44 shall be deemed suitable and benefits shall not be denied under this  
45 chapter to any otherwise eligible individual for refusing to accept new  
46 work under any of the following conditions: (a) if the position offered

1 is vacant due directly to a strike, lockout, or other labor dispute; (b)  
2 if the remuneration, hours, or other conditions of the work offered are  
3 substantially less favorable to the individual than those prevailing for  
4 similar work in the locality; (c) if as a condition of being employed the  
5 individual would be required to join a company union or to resign from  
6 or refrain from joining any bona fide labor organization.

7 (d) If it is found that this unemployment is due to a stoppage of  
8 work which exists because of a labor dispute at the factory,  
9 establishment or other premises at which the individual is or was last  
10 employed. No disqualification under this subsection shall apply if it is  
11 shown that:

12 (1) The individual is not participating in or financing or directly  
13 interested in the labor dispute which caused the stoppage of work; and

14 (2) The individual does not belong to a grade or class of workers  
15 of which, immediately before the commencement of the stoppage,  
16 there were members employed at the premises at which the stoppage  
17 occurs, any of whom are participating in or financing or directly  
18 interested in the dispute; provided that if in any case in which (1) or  
19 (2) above applies, separate branches of work which are commonly  
20 conducted as separate businesses in separate premises are conducted  
21 in separate departments of the same premises, each department shall,  
22 for the purpose of this subsection, be deemed to be a separate factory,  
23 establishment, or other premises.

24 (e) For any week with respect to which the individual is receiving  
25 or has received remuneration in lieu of notice.

26 (f) For any week with respect to which or a part of which the  
27 individual has received or is seeking unemployment benefits under an  
28 unemployment compensation law of any other state or of the United  
29 States; provided that if the appropriate agency of the other state or of  
30 the United States finally determines that the individual is not entitled  
31 to unemployment benefits, this disqualification shall not apply.

32 (g)(1) For a period of one year from the date of the discovery by  
33 the division of the illegal receipt or attempted receipt of benefits  
34 contrary to the provisions of this chapter, as the result of any false or  
35 fraudulent representation; provided that any disqualification may be  
36 appealed in the same manner as any other disqualification imposed  
37 hereunder; and provided further that a conviction in the courts of this  
38 State arising out of the illegal receipt or attempted receipt of these  
39 benefits in any proceeding instituted against the individual under the  
40 provisions of this chapter or any other law of this State shall be  
41 conclusive upon the appeals tribunal and the board of review.

42 (2) A disqualification under this subsection shall not preclude the  
43 prosecution of any civil, criminal or administrative action or  
44 proceeding to enforce other provisions of this chapter for the  
45 assessment and collection of penalties or the refund of any amounts  
46 collected as benefits under the provisions of R.S.43:21-16, or to

1 enforce any other law, where an individual obtains or attempts to  
2 obtain by theft or robbery or false statements or representations any  
3 money from any fund created or established under this chapter or any  
4 negotiable or nonnegotiable instrument for the payment of money from  
5 these funds, or to recover money erroneously or illegally obtained by  
6 an individual from any fund created or established under this chapter.

7 (h)(1) Notwithstanding any other provisions of this chapter (R.S.  
8 43:21-1 et seq.), no otherwise eligible individual shall be denied  
9 benefits for any week because the individual is in training approved  
10 under section 236(a)(1) of the Trade Act of 1974, P.L.93-618, 19  
11 U.S.C. {2296, nor shall the individual be denied benefits by reason of  
12 leaving work to enter this training, provided the work left is not  
13 suitable employment, or because of the application to any week in  
14 training of provisions in this chapter (R.S.43:21-1 et seq.), or any  
15 applicable federal unemployment compensation law, relating to  
16 availability for work, active search for work, or refusal to accept  
17 work.

18 (2) For purposes of this subsection (h), the term "suitable"  
19 employment means, with respect to an individual, work of a  
20 substantially equal or higher skill level than the individual's past  
21 adversely affected employment (as defined for purposes of the Trade  
22 Act of 1974, P.L.93-618, 19 U.S.C. {2102 et seq.), and wages for this  
23 work at not less than 80% of the individual's average weekly wage, as  
24 determined for the purposes of the Trade Act of 1974.

25 (i) For benefit years commencing after June 30, 1984, for any week  
26 in which the individual is a student in full attendance at, or on vacation  
27 from, an educational institution, as defined in subsection (y) of R.S.  
28 43:21-19; except that this subsection shall not apply to any individual  
29 attending a training program approved by the division to enhance the  
30 individual's employment opportunities, as defined under subsection (c)  
31 of R.S.43:21-4; nor shall this subsection apply to any individual who,  
32 during the individual's base year, earned sufficient wages, as defined  
33 under subsection (e) of R.S. 43:21-4, while attending an educational  
34 institution during periods other than established and customary  
35 vacation periods or holiday recesses at the educational institution, to  
36 establish a claim for benefits. For purposes of this subsection, an  
37 individual shall be treated as a full-time student for any period:

38 (1) During which the individual is enrolled as a full-time student at  
39 an educational institution, or

40 (2) Which is between academic years or terms, if the individual was  
41 enrolled as a full-time student at an educational institution for the  
42 immediately preceding academic year or term.

43 (j) For work performed as a resident associate pursuant to P.L. \_\_\_\_\_,  
44 c. \_\_\_\_\_ (C. \_\_\_\_\_) (now pending before the Legislature as Assembly Bill  
45 No. 1838 of 1996).<sup>1</sup>

46 (cf: P.L.1985, c.508, s.3)

1       <sup>1</sup>[12.] 14.<sup>1</sup> This act shall take effect immediately.

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6 "Property Tax Reduction Work Act"; permits local units to recruit

7 residents to perform services in return for property tax vouchers.