

SENATE COMMITTEE SUBSTITUTE FOR  
SENATE, Nos. 1469 and 1486

STATE OF NEW JERSEY

ADOPTED OCTOBER 28, 1996

Sponsored by Senators BUBBA and SCOTT

1 AN ACT concerning property tax relief for local government  
2 residents, amending R.S.43:21-5 and supplementing chapter 4 of  
3 Title 54 of the Revised Statutes and chapter 6 of Title 54A of the  
4 New Jersey Statutes.

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

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9 1. (New section) This act shall be known and may be cited as the  
10 "Property Tax Reduction Work Act."

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

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

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

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

26  
27 3. (New section) A municipality, county or school district may,  
28 by ordinance or resolution, as appropriate, adopt a program permitting  
29 certain residents of the county or taxing district to perform services for  
30 the county, municipality or school district in lieu of services which  
31 would normally be performed by municipal, county or school district

**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 employees. The municipality, county or school district shall designate  
2 such residents performing services as "resident associates."  
3

4 4. (New section) A resident associate may be any bona fide  
5 resident of the county, municipality or school district, as appropriate.  
6 The resident associate shall be qualified by education or prior work  
7 experience to perform a particular service for the county, municipality  
8 or school district.  
9

10 5. (New section) A resident associate may be recruited to fill  
11 with substantially similar duties any vacant position formerly held by  
12 a part-time or full-time employee which does not require certification  
13 from the State and was not funded through a grant from State or  
14 federal sources.  
15

16 6. (New section) A resident associate who performs services for  
17 the municipality, county or school district shall be awarded a voucher  
18 which may be used to offset the property taxes due on the residence  
19 of the resident associate within the county or taxing district, as  
20 applicable. For the purposes of this section, "property taxes due"  
21 means taxes duly assessed against the property, including any amounts  
22 due representing interest or penalties, and any amounts for which  
23 redemption payments may be made pursuant to Title 54 of the Revised  
24 Statutes. The property tax voucher shall not be transferrable. A  
25 voucher shall not be applied toward property taxes which become  
26 payable in a year succeeding the year in which the voucher is earned.  
27

28 7. (New section) Resident associates may be recruited to perform  
29 services only when a part-time or full-time position has been vacated  
30 in the county, municipality or school district. In the event more than  
31 one qualified applicant is recruited to fill a position, the county,  
32 municipality or school district shall give preference to the applicant  
33 who demonstrates the greatest financial need.  
34

35 8. (New section) A resident associate shall not be entitled to any  
36 benefits or compensation, except for the required withholding of taxes,  
37 other than a voucher to be used to offset the property tax liability of  
38 the property in the county or taxing district providing the voucher  
39 wherein the resident associate resides. The employer of a resident  
40 associate shall be responsible for withholding all federal or state taxes  
41 which may be required, and for contributions to the worker's  
42 compensation fund, and for submitting any such withheld taxes or  
43 contributions to the appropriate governmental agency.  
44

45 9. (New section) A resident associate shall be paid with a  
46 property tax voucher at the rate of no more than half the annual salary

1 of a prior part-time or full-time municipal, county or school district  
2 employee provided such amount is not less than the mandatory  
3 minimum wage amount established under State or federal law. Such  
4 amount shall be pro-rated on the basis of an hourly wage so as to  
5 ensure that the resident associate service does not exceed the amount  
6 of the property tax owed for that year. The municipality, county or  
7 school district shall undertake such administrative and budgetary  
8 procedures as required to implement the purposes of this act.

9  
10 10. (New section) This program may be used to help those  
11 residents whose property taxes are delinquent and against whose  
12 property foreclosure of a tax sale certificate has been initiated.

13  
14 11.(New section) No resident associate shall be related to a  
15 municipal, county or school district elected official or employee.

16  
17 12. (New section) Gross income shall not include those amounts,  
18 pursuant to P.L. , c. (now pending before the Legislature as this  
19 bill), which were contributed by an employer on behalf of an  
20 employee, withheld as taxes, or credited to an employee in the form  
21 of a voucher to be used to offset property taxes.

22  
23 13. R.S.43:21-5 is amended to read as follows:

24 43:21-5. Disqualification for benefits

25 An individual shall be disqualified for benefits:

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

39 (b) For the week in which the individual has been suspended or  
40 discharged for misconduct connected with the work, and for the five  
41 weeks which immediately follow that week (in addition to the waiting  
42 period), as determined in each case. In the event the discharge should  
43 be rescinded by the employer voluntarily or as a result of mediation or  
44 arbitration, this subsection (b) shall not apply, provided, however, an  
45 individual who is restored to employment with back pay shall return  
46 any benefits received under this chapter for any week of

1 unemployment for which the individual is subsequently compensated  
2 by the employer.

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

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

14 (c) If it is found that the individual has failed, without good cause,  
15 either to apply for available, suitable work when so directed by the  
16 employment office or the director or to accept suitable work when it  
17 is offered, or to return to the individual's customary self-employment  
18 (if any) when so directed by the director. The disqualification shall  
19 continue for the week in which the failure occurred and for the three  
20 weeks which immediately follow that week (in addition to the waiting  
21 period), as determined:

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

35 (2) Notwithstanding any other provisions of this chapter, no work  
36 shall be deemed suitable and benefits shall not be denied under this  
37 chapter to any otherwise eligible individual for refusing to accept new  
38 work under any of the following conditions: (a) if the position offered  
39 is vacant due directly to a strike, lockout, or other labor dispute; (b)  
40 if the remuneration, hours, or other conditions of the work offered are  
41 substantially less favorable to the individual than those prevailing for  
42 similar work in the locality; (c) if as a condition of being employed the  
43 individual would be required to join a company union or to resign from  
44 or refrain from joining any bona fide labor organization.

45 (d) If it is found that this unemployment is due to a stoppage of  
46 work which exists because of a labor dispute at the factory,

1 establishment or other premises at which the individual is or was last  
2 employed. No disqualification under this subsection shall apply if it is  
3 shown that:

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

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

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

18 (f) For any week with respect to which or a part of which the  
19 individual has received or is seeking unemployment benefits under an  
20 unemployment compensation law of any other state or of the United  
21 States; provided that if the appropriate agency of the other state or of  
22 the United States finally determines that the individual is not entitled  
23 to unemployment benefits, this disqualification shall not apply.

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

34 (2) A disqualification under this subsection shall not preclude the  
35 prosecution of any civil, criminal or administrative action or  
36 proceeding to enforce other provisions of this chapter for the  
37 assessment and collection of penalties or the refund of any amounts  
38 collected as benefits under the provisions of R.S.43:21-16, or to  
39 enforce any other law, where an individual obtains or attempts to  
40 obtain by theft or robbery or false statements or representations any  
41 money from any fund created or established under this chapter or any  
42 negotiable or nonnegotiable instrument for the payment of money from  
43 these funds, or to recover money erroneously or illegally obtained by  
44 an individual from any fund created or established under this chapter.

45 (h) (1) Notwithstanding any other provisions of this chapter (R.S.  
46 43:21-1 et seq.), no otherwise eligible individual shall be denied

1 benefits for any week because the individual is in training approved  
 2 under section 236(a) (1) of the Trade Act of 1974, P.L.93-618, 19  
 3 U.S.C. {2296, nor shall the individual be denied benefits by reason of  
 4 leaving work to enter this training, provided the work left is not  
 5 suitable employment, or because of the application to any week in  
 6 training of provisions in this chapter (R.S.43:21-1 et seq.), or any  
 7 applicable federal unemployment compensation law, relating to  
 8 availability for work, active search for work, or refusal to accept  
 9 work.

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

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

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

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

36 (j) For work performed as a resident associate pursuant to  
 37 P.L. , c. (C. ) (now pending before the Legislature as this  
 38 bill).

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

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41 14. This act shall take effect immediately.

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

- 1 residents to perform services in return for property tax vouchers.