

52:14-15.9c1

LEGISLATIVE HISTORY CHECKLIST

NJSA: 52:14-15.9c1

"Public Employee
Charitable Fund-Raising
Act"

LAWS OF: 1985

CHAPTER: 140

Bill No: A3314

Sponsor(s): Charles, Weidel and Doria

Date Introduced: February 25, 1985

Committee: **Assembly:** Housing and Urban Policy

Senate: -----

Amended during passage: No

Date of Passage: **Assembly:** February 28, 1985

Senate: March 7, 1985

Date of Approval: April 12, 1985

Following statements are attached if available:

Sponsor statement: Yes (Below)

Committee statement: **Assembly** No

Senate No

Fiscal Note: No

Veto Message: No

Message on Signing: No

Following were printed:

Reports: No

Hearings: No

Sponsors' statement:

This bill establishes procedures for the conduct of charitable fund-raising campaigns which utilize payroll deductions for public employees at the State and local level. It repeals the existing law governing payroll deduction contributions.

(OVER)

Regulations adopted, pursuant to act:

N.J.A.C. 17.29-1.1 et seq., adopted 10-18-85.

CHAPTER 140 LAWS OF N. J. 1985
APPROVED 4-12-85

ASSEMBLY, No. 3314

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 25, 1985

By Assemblymen CHARLES, WEIDEL and DORIA

AN ACT concerning charitable fund-raising among public employees
and repealing P. L. 1955, c. 163.

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. This act shall be known and may be cited as the "Public
2 Employee Charitable Fund-Raising Act."

1 2. The Legislature finds that:

2 a. It is the policy of the State to lessen the burden of govern-
3 ment at both the State and local level in meeting the needs of
4 human health, welfare and human care services;

5 b. There is a need to provide a convenient channel through which
6 public employees may support the efforts of charitable fund-raising
7 organizations and charitable agencies while minimizing disruption
8 to the workplace and cost to taxpayers that fund-raising may
9 entail; and

10 c. It is necessary to establish a system for the planning and
10A conduct of charitable fund-raising campaigns among public em-
11 ployees in order to ensure that the funds will be collected and
12 distributed in a responsible manner.

1 3. As used in this act:

2 a. "Affiliated charitable agency" means a charitable agency which
3 is affiliated with a charitable fund-raising organization for the
4 purpose of directly sharing in funds raised by the organization.

5 b. "Campaign manager" means a charitable fund-raising organi-
6 zation which manages a charitable fund raising campaign.

7 c. "Charitable agency" means a volunteer, not-for-profit organiza-
8 tion that provides health, welfare or human care services to indi-
9 viduals.

10 d. "Charitable fund-raising campaign" means an annual payroll
11 deduction campaign organized pursuant to this act to receive and
12 distribute the voluntary charitable contributions of public em-
13 ployees.

14 e. "Charitable fund-raising organization" means a voluntary
15 not-for-profit organization which receives and distributes voluntary
16 charitable contributions.

17 f. "Local unit of government" means any county, municipality,
18 board of education or instrumentality thereof.

19 g. "State" means the State or any instrumentality thereof.

20 h. "Unaffiliated charitable agency" means a charitable agency
21 which provides health, welfare or human care services within New
22 Jersey and which is not affiliated with a charitable fund-raising
23 organization.

24 i. "Undesignated contributions" means funds contributed to a
25 charitable fund-raising campaign with no designation by the con-
26 tributor as to the recipient charitable fund-raising organization or
27 charitable agency.

1 4. a. There is established a State charitable fund-raising cam-
2 paign steering committee to consist of one representative to be
3 appointed by each charitable fund-raising organization which par-
4 ticipates in the State campaign; one representative of a State
5 public employee labor union to be selected jointly by the presidents
6 of the various labor unions representing State employees; and one
7 representative of the executive branch of State government to be
8 appointed and serve at the pleasure of the Governor. The com-
9 mittee shall convene annually at the call of the State Treasurer
10 to elect a chairman from among its members, and shall thereafter
11 convene at the call of the chairman. A chairman shall serve for a
12 term of one-year and until the election of a successor and shall be
13 eligible for reelection. Each member of the committee shall have
14 one vote. No motion to take any official action shall be deemed
15 approved if objected to by at least five members.

16 b. There is established in every local unit of government a local
17 charitable fund-raising campaign steering committee to consist
18 of one representative to be appointed by each charitable fund-
19 raising organization which participates in the local campaign, and
20 one representative of the local unit of government to be appointed
21 by the chief executive officer of the unit. The committee may also
22 include two representatives of the employees or the management
23 of the unit as may be designated by the governing body of the unit.
24 Each committee shall convene annually at the call of the chief
25 executive officer of the unit to elect a chairman from among its

26 members, and shall thereafter convene at the call of the chairman.
27 A chairman shall serve for a term of one year and until the election
28 of a successor and shall be eligible for reelection. Each member
29 of a committee shall have one vote and a vote of the majority of
30 the total membership shall be necessary to take official action.

1 5. It shall be the duty of each charitable campaign steering
2 committee to:

3 a. advise the State Treasurer or local disbursing officer in estab-
4 lishing application and review procedures for the participation
5 of charitable fund-raising organizations or charitable agencies in
6 a campaign;

7 b. establish the policies and procedures for the operation of a
8 charitable fund-raising campaign within the committee's unit of
9 government;

10 c. designate one or more charitable fund-raising organizations as
11 a campaign manager, taking into account the demonstrated cap-
12 ability of each organization to provide the level of administrative
13 and other services necessary to conduct a campaign for the unit
14 of government; and

15 d. assign functions to and enlist the cooperation of any charitable
16 fund-raising organizations or charitable agencies as the committee
17 deems necessary.

1 6. It shall be the duty of a campaign manager to:

2 a. conduct and manage the charitable fund-raising campaign in
3 a responsible and equitable manner in accordance with the policies
4 and procedures established by the campaign steering committee;

5 b. produce and distribute campaign materials;

6 c. train and supervise campaign solicitors; and

7 d. maintain an accounting of all funds raised and distributed and
8 provide for the distribution of funds in the manner established
9 by the campaign steering committee;

1 7. A charitable fund-raising organization shall be eligible to
2 participate in a charitable fund-raising campaign if it meets the
3 following requirements:

4 a. the organization is exempt from federal income tax under sec-
5 tion 501 (e) (3) of the Internal Revenue Code;

6 b. the organization qualifies for tax deductible contributions
7 under section 170 (b) (1) (A) (vi) or (viii) of the Internal Revenue
8 Code;

9 c. the organization is not a foundation;

10 d. the organization is incorporated under or subject to the pro-
11 visions of Title 15 of the Revised Statutes or Title 15A of the New
12 Jersey Statutes and the "Charitable Fund Raising Act of 1971,"
13 P. L. 1971, c. 469 (C. 45:17A-1 et seq.).

14 e. the organization demonstrates to the satisfaction of the State
15 Treasurer or the appropriate disbursing officer, as the case may be,
16 that a significant portion of funds raised in each of its two fiscal
17 years preceding its application to participate in a campaign con-
18 sist of individual contributions from citizens of the State.

19 f. the organization shall have raised at least \$60,000.00 and dis-
20 tributed that sum among at least 15 charitable agencies in each
21 of its two fiscal years preceding its application to participate in
22 a State campaign; and

23 g. the organization shall have raised at least \$25,000.00 and dis-
24 tributed that sum among at least five charitable agencies in each
25 of its two fiscal years preceding its application to participate in a
26 local governmental unit campaign.

1 8. A charitable agency shall be eligible to participate in a charit-
2 able fund-raising campaign if a. it is an affiliated charitable agency
3 or b. it meets the requirements of subsections a. through e., inclu-
4 sive, of section 7 of this act.

1 9. The State Treasurer, in the case of the State, or the appro-
2 priate disbursing officer, in the case of a local unit of government,
3 shall establish a payroll deduction system for the collection and
4 distribution of voluntary charitable contributions by public em-
5 ployees of the State or unit pursuant to an annual charitable
6 fund-raising campaign organized in accordance with this act.

1 10. The State Treasurer or appropriate disbursing officer shall
2 make payroll deductions from an employee's compensation in such
3 amounts and on behalf of such participating charitable fund-
4 raising organizations or charitable agencies as the employee shall
5 authorize in writing to the State Treasurer or disbursing officer.
6 An employee may withdraw an authorization at any time upon
7 written notice to the State Treasurer or appropriate disbursing
8 officer.

1 11. The State Treasurer and each disbursing officer shall promptly
2 transmit the amounts deducted, and an accounting of the amounts
3 designated to the various charitable fund-raising organizations or
4 charitable agencies, to the respective campaign manager, who shall
5 be responsible for final distribution of the amounts to the designated
6 organizations or agencies.

1 12. a. The campaign manager shall be entitled to deduct and
2 expend prior to final distribution not more than 10% of the total
3 amount of contributors for the administrative costs of the charitable
4 fund-raising campaign as approved by the campaign steering com-
5 mittee. The campaign manager shall maintain all funds in an
6 interest bearing account until their distribution. Interest earned

7 on the funds shall be distributed in such manner as the campaign
8 steering committee shall determine.

9 b. Undesignated contributions received in a State campaign shall
10 be distributed by the campaign manager to the charitable fund-
11 raising organizations participating in the campaign in the same
12 proportion as designated contributions to participating fund-raising
13 organizations, including contributions to affiliated charitable
14 agencies, are distributed to the organizations.

15 c. Undesignated contributions received in a local governmental
16 unit campaign shall be distributed by the campaign manager to
17 participating or non-participating charitable fund-raising organi-
18 zations or charitable agencies in such amounts as the campaign
19 steering committee shall determine.

1 13. The State Treasurer shall, within 90 days after the effective
2 date of this act and from time to time thereafter, adopt rules and
3 regulations as shall be necessary to implement the provisions of
4 this act in accordance with the "Administrative Procedure Act,"
5 P. L. 1968, c. 410 (C. 52:14B-1 et seq.).

1 14. P. L. 1955, c. 163 (C. 52:14-15.9c) is repealed.

1 15. This act shall take effect immediately.

STATEMENT

This bill establishes procedures for the conduct of charitable fund-raising campaigns which utilize payroll deductions for public employees at the State and local level. It repeals the existing law governing payroll deduction contributions.
