

52: 14- 15. 9e

LEGISLATIVE HISTORY CHECKLIST

NJSA 52:14-15.9e ("Dues" -- define - Law permitting payroll deductions for employee organizations)

LAWS 1981 CHAPTER 345

Bill No. A1523

Sponsor(s) Cowan and others

Date Introduced April 17, 1980

Committee: Assembly State Gov't, Federal & Interstate Relations & Veterans Affairs

Senate State Gov't, Federal & Interstate Relations & Veterans Affairs

Amended during passage  Yes  No

Date of Passage: Assembly June 16, 1980

Senate Nov. 24, 1981

Date of approval Dec. 18, 1981

Following statements are attached if available:

Sponsor statement Yes  (Below)

Committee Statement: Assembly Yes

Senate Yes

Fiscal Note  No

Veto Message  No

Message on signing Yes

Following were printed:

Reports  No

Hearings  No

Sponsors' statement:

This bill amends P.L. 1967, c.310 (C.52:14-15.9e) which permits the payroll deduction of voluntary contributions to bona fide employee organization to define the term "dues."

See newspaper clipping (attached)

(over)

6/22/81

PP

Mentioned in committee statements: -- (attached)  
A 794 (1978)  
A 3046 (1976)

ASSEMBLY, No. 1523

STATE OF NEW JERSEY

INTRODUCED APRIL 17, 1980

By Assemblymen COWAN, JACKMAN, PELLECCCHIA, HOLLEN-  
BECK, LESNIAK, JANISZEWSKI and T. GALLO

Referred to Committee on State Government, Federal and  
Interstate Relations and Veterans Affairs

AN ACT concerning deductions from public employees' compensation  
to pay dues to employee organizations and amending P. L. 1967,  
c. 310.

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

1 1. Section 1 of P. L. 1967, c. 310 (C. 52:14-15.9e) is amended to  
2 read as follows:

3 1. Whenever any person holding employment, whose compensa-  
4 tion is paid by this State or by any county, municipality, board  
5 of education or authority in this State, or by any board, body,  
6 agency or commission thereof shall indicate in writing to the proper  
7 disbursing officer his desire to have any deductions made from  
8 his compensation, for the purpose of paying the employee's dues  
9 to a bona fide employee organization, designated by the employee  
10 in such request, and of which said employee is a member, such  
11 disbursing officer shall make such deduction from the compensation  
12 of such person and such disbursing officer shall transmit the sum  
13 so deducted to the employee organization designated by the em-  
14 ployee in such request.

15 Any such written authorization may be withdrawn by such person  
16 holding employment at any time by the filing of notice of such  
17 withdrawal with the above-mentioned disbursing officer. The filing  
18 of notice of withdrawal shall be effective to halt deductions as of  
19 the January 1 or July 1 next succeeding the date on which notice  
20 of withdrawal is filed.

21 Nothing herein shall preclude a public employer and a duly  
22 certified majority representative from entering into a collectively  
23 negotiated written agreement which provides that employees in-  
24 cluded in the negotiating unit may only request deduction for the  
25 payment of dues to the duly certified majority representative. Such

26 collectively negotiated agreement may include a provision that  
27 existing written authorizations for payment of dues to an employee  
28 organization other than the duly certified majority representative  
29 be terminated. Such collectively negotiated agreement may also  
30 include a provision specifying the effective date of a termination  
31 in deductions as of the July 1 next succeeding the date on which  
32 notice of withdrawal is filed by an employee with the public em-  
33 ployer's disbursing officer.

34 This authorization for negotiation of exclusive dues deduction  
35 provisions shall not apply to any negotiating unit which includes  
36 employees of any local school district or county college.

37 *As used in this section, dues shall mean all moneys required to*  
38 *be paid by the employee as a condition of membership in an em-*  
39 *ployee organization and any voluntary employee contribution to a*  
40 *committee or fund established by such organization, including but*  
41 *not limited to welfare funds, political action committees, charity*  
42 *funds, legal defense funds, educational funds, and funds for dona-*  
43 *tions to schools, colleges, and universities.*

1 2. This act shall take effect immediately.

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#### STATEMENT

This bill amends P. L. 1967, c. 310 (C. 52:14-15.9e) which permits the payroll deduction of voluntary contributions to bona fide employee organization to define the term "dues."

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ASSEMBLY STATE GOVERNMENT, FEDERAL AND  
INTERSTATE RELATIONS AND VETERANS  
AFFAIRS COMMITTEE

STATEMENT TO  
**ASSEMBLY, No. 1523**

**STATE OF NEW JERSEY**

DATED: JUNE 9, 1980

Under P. L. 1967, c. 310, a public employee may have deductions made from his compensation in order to pay "the employee's dues to a bona fide employee organization. . . ."

This bill amends the 1967 law to define "dues" as (1) moneys paid to belong to an employees' union and (2) "any voluntary employee contribution to a committee or funds established by such organization, including but not limited to welfare funds, political action committees, charity funds, legal defense funds, educational funds, and funds for donations to schools, colleges, and universities."

SENATE STATE GOVERNMENT, FEDERAL AND  
INTERSTATE RELATIONS AND VETERANS AFFAIRS  
COMMITTEE

STATEMENT TO  
**ASSEMBLY, No. 1523**

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**STATE OF NEW JERSEY**

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DATED: OCTOBER 23, 1980

This bill amends Chapter 14 of Title 52 (C. 52:14-15.9e) which authorizes a deduction from an employee's salary made "for the purpose of paying the employee's dues to a bona fide employee organization" in order to provide a specific definition of the term "dues."

According to the bill, "dues" are to be defined as all money required to be paid by an employee as a condition of membership in an organization and, in addition, any employee contribution to a committee or fund established by the organization. Pursuant to this legislation, the list of such contributions are to include, but not be limited to, the following:

- Welfare funds.
- Political action committee.
- Charity funds
- Legal defense funds.
- Educational funds.
- Funds for donations to schools, colleges, and universities.

The bill presently under construction is similar to Assembly No. 3046 of the 1976-77 session. That measure was amended extensively during the legislative process but was not voted on in the Senate. Assembly No. 794 of the 1978-79 session contained the amendments which had been placed in Assembly No. 3046 but it too was not voted on in the Senate. The present bill, Assembly No. 1523, is a return to the concept of the 1976-77 bill in that it attains its purpose through the definition of dues.

The bill introduced in 1978-79, Assembly No. 794, dealt with contributions to political action committees (PAC). It limited the amount of the deduction for such a contribution to \$3.00. It provided a safeguard against the "negative check-off" by requiring that a separate form be used for the PAC deduction. This had the affect of maintaining the distinction between the deduction for regular dues and the PAC deduction. That bill required that the forms contain a declaration that the contribution was to be voluntary and that no coercion could be employed to get the authorization for deductions.

The present bill avoids these issues by including the PAC contribution within the definition of "dues"—those moneys that are required to be paid as a condition of membership.

The bill has the support of the State employees' organizations, the AFL/CIO and N.J.E.A. It is opposed by the League of Municipalities, the New Jersey School Boards Association, the Business and Industry Association and the Greater Newark Chamber of Commerce.

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FROM THE OFFICE OF THE GOVERNOR

FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION

DECEMBER 22, 1981

DAVE DE MAIO

Governor Brendan Byrne has signed A-1523, sponsored by Assemblyman Thomas F. Cowan (D-Hudson), allowing public employees to authorize their employers to make payroll deductions for contributions to various political action committees, charity, welfare and legal defense funds.

Under current law, public employers are authorized to make deductions solely for an employee's union dues. "Dues" have consistently been defined as only those contributions that are a prerequisite to "membership and which are used for direct support and membership of that organization."

A-1523 defines "dues" to include voluntary political and charitable contributions. The bill does not affect the representation fees paid by non-union public employees in lieu of union dues.

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[SENATE REPRINT]  
**ASSEMBLY, No. 794**

[OFFICIAL COPY REPRINT]

with Senate amendments adopted October 5, 1978

**STATE OF NEW JERSEY**

INTRODUCED FEBRUARY 23, 1978

By Assemblyman SCHUCK

Referred to Committee on Labor

AN ACT concerning deductions from compensation to pay dues to employee organizations and amending P. L. 1967, c. 310 and supplementing Title 52 of the Revised Statutes.

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

1 1. Section 1 of P. L. 1967, c. 310 (C. 52:14-15.9e) is amended to  
2 read as follows:

3 1. Whenever any person holding employment, whose compensa-  
4 tion is paid by this State *\*[of]\* \*or\** by any county, municipality,  
5 board of education or authority in this State, or by any board,  
6 body, agency or commission thereof shall indicate in writing to  
7 the proper disbursing officer his desire to have any deductions  
8 made from his compensation, for the purpose of paying the em-  
9 ployee's dues to a bona fide employee organization, designated by  
10 the employee in such request, and of which said employee is a  
11 member, such disbursing officer shall make such deduction from the  
12 compensation of such person and such disbursing officer shall trans-  
13 mit the sum so deducted to the employee organization designated  
14 by the employee in such request.

15 Any such written authorization may be withdrawn by such person  
16 holding employment at any time by the filing of notice of such  
17 withdrawal with the above-mentioned disbursing officer. The filing  
18 of notice of withdrawal shall be effective to halt deductions as of  
19 the January 1 or July 1 next succeeding the date on which notice  
20 of withdrawal is filed.

21 Nothing herein shall preclude a public employer and a duly  
22 certified majority representative from entering into a collectively  
23 negotiated written agreement which provides that employees in-

EXPLANATION—Matter enclosed in bold-faced brackets [b] in the above bill  
is not enacted and is intended to be omitted in the law.

24 cluded in the negotiating unit may only request deduction for the  
 25 payment of dues to the duly certified majority representative. Such  
 26 collectively negotiated agreement may include a provision that  
 27 existing written authorizations for payment of dues to an employee  
 28 organization other than the duly certified majority representative  
 29 be terminated. Such collectively negotiated agreement may also  
 30 include a provision specifying the effective date of a termination  
 31 in deductions as of the July 1 next succeeding the date on which  
 32 notice of withdrawal is filed by an employee with the public em-  
 33 ployer's disbursing officer.

34 This authorization for negotiation of exclusive dues deduction  
 35 provisions shall not apply to any negotiating unit which includes  
 36 employees of any local school district or county college.

37 **\*[Dues]\*** *\*As used in this act, dues\* shall mean moneys required*  
 38 *to be paid by the employee as a condition of membership in a bona*  
 39 *fide employee organization and any uniform voluntary employee*  
 40 *contribution not in excess of \$3.00 per year specifically authorized*  
 41 *by the employee for use in support of a bona fide political action*  
 42 *committee of such employee organization. Where any such volun-*  
 43 *tary authorization for contributions is indicated, forms separate*  
 44 *and distinct from the forms authorizing membership dues shall be*  
 45 *used and the forms for such purpose shall include an explanatory*  
 45A *statement:*

46 a. *Setting forth the purpose of the political action committee;*

47 b. *Establishing the voluntary nature of the contribution;*

48 c. *That the contribution is not a condition of membership in the*  
 49 *employee organization or any of its affiliates;*

50 d. *That copies of appropriate reports are on file with the Federal*  
 51 *Election Commission and the New Jersey Election Law Enforce-*  
 52 *ment Commission; that such reports are available for inspection*  
 53 *upon request to the appropriate commission; and*

54 e. *That no person, employee organization, political action com-*  
 55 *mittee or public employer as aforesaid may use any type of coercion,*  
 56 *job discrimination, financial reprisal or threat of same or otherwise*  
 57 *in any way favor or disadvantage any employee organization mem-*  
 58 *ber with respect to his contribution or lack thereof.*

1 2. (New section) Whenever an employee organization solicits  
 2 voluntary contributions for its political action committee through  
 3 authorized deductions from employee compensation, the employer  
 4 shall be entitled to deduct from sums to be remitted to the employee  
 5 organization 1% of the total amount of such voluntary contribu-  
 6 tions so withheld to compensate the employer for the administrative  
 7 expense involved in handling such deductions and payments.

1 3. (New section) It shall be unlawful for any person, employer  
2 organization, political action committee or public employer as fore-  
3 said to use any type of coercion, job discrimination, financial  
4 reprisal or threat of same or otherwise in any way favor or dis-  
5 advantage any employee organization member with respect to the  
6 contribution or lack thereof by such member to a political action  
7 committee of such employee organization.

1 *\*\*4. It shall be unlawful for any person, employee organization  
2 or political action committee to utilize any funds collected pursuant  
3 to this act to support or oppose any political organization, group,  
4 candidate or public question in a school board election.\*\**

1 **\*\*[4.]\*\*** *\*\*5.\*\** (New section) Any person who violates this act  
2 shall be liable to a penalty of \$250.00 for each individual offense to  
3 be brought in the name of the State by the Attorney General in a  
4 summary proceeding under the Penalty Enforcement Law (N. J. S.  
5 2A:58-1 et seq.), or in any case before a court of competent juris-  
6 diction wherein injunctive relief has been requested.

1 **\*\*[5.]\*\*** *\*\*6.\*\** This act shall take effect immediately.

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ASSEMBLY, No. 794

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 23, 1978

By Assemblyman SCHUCK

Referred to Committee on Labor

AN ACT concerning deductions from compensation to pay dues to employee organizations and amending P. L. 1967, c. 310 and supplementing Title 52 of the Revised Statutes.

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

1 1. Section 1 of P. L. 1967, c. 310 (C. 52:14-15.9e) is amended to  
2 read as follows:

3 1. Whenever any person holding employment, whose compensa-  
4 tion is paid by this State or by any county, municipality, board of  
5 education or authority in this State, or by any board, body, agency  
6 or commission thereof shall indicate in writing to the proper dis-  
7 bursing officer his desire to have any deductions made from his  
8 compensation, for the purpose of paying the employee's dues to a  
9 bona fide employee organization, designated by the employee in  
10 such request, and of which said employee is a member, such dis-  
11 bursing officer shall make such deduction from the compensation  
12 of such person and such disbursing officer shall transmit the sum  
13 so deducted to the employee organization designated by the em-  
14 ployee in such request.

15 Any such written authorization may be withdrawn by such person  
16 holding employment at any time by the filing of notice of such  
17 withdrawal with the above-mentioned disbursing officer. The filing  
18 of notice of withdrawal shall be effective to halt deductions as of  
19 the January 1 or July 1 next succeeding the date on which notice  
20 of withdrawal is filed.

21 Nothing herein shall preclude a public employer and a duly  
22 certified majority representative from entering into a collectively  
23 negotiated written agreement which provides that employees in-  
24 cluded in the negotiating unit may only request deduction for the  
25 payment of dues to the duly certified majority representative. Such  
26 collectively negotiated agreement may include a provision that

27 existing written authorizations for payment of dues to an employee  
28 organization other than the duly certified majority representative  
29 be terminated. Such collectively negotiated agreement may also  
30 include a provision specifying the effective date of a termination  
31 in deductions as of the July 1 next succeeding the date on which  
32 notice of withdrawal is filed by an employee with the public em-  
33 ployer's disbursing officer.

34 This authorization for negotiation of exclusive dues deduction  
35 provisions shall not apply to any negotiating unit which includes  
36 employees of any local school district or county college.

37 *Dues shall mean moneys required to be paid by the employee as*  
38 *a condition of membership in a bona fide employee organization*  
39 *and any uniform voluntary employee contribution not in excess*  
40 *of \$3.00 per year specifically authorized by the employee for use*  
41 *in support of a bona fide political action committee of such em-*  
42 *ployee organization. Where any such voluntary authorization for*  
43 *contributions is indicated, forms separate and distinct from the*  
44 *forms authorizing membership dues shall be used and the forms*  
45 *for such purpose shall include an explanatory statement:*

- 46 a. *Setting forth the purpose of the political action committee;*
- 47 b. *Establishing the voluntary nature of the contribution;*
- 48 c. *That the contribution is not a condition of membership in the*  
49 *employee organization or any of its affiliates;*
- 50 d. *That copies of appropriate reports are on file with the Federal*  
51 *Election Commission and the New Jersey Election Law Enforce-*  
52 *ment Commission; that such reports are available for inspection*  
53 *upon request to the appropriate commission; and*
- 54 e. *That no person, employee organization, political action com-*  
55 *mittee or public employer as aforesaid may use any type of coercion,*  
56 *job discrimination, financial reprisal or threat of same or otherwise*  
57 *in any way favor or disadvantage any employee organization mem-*  
58 *ber with respect to his contribution or lack thereof.*

1 2. (New section) Whenever an employee organization solicits  
2 voluntary contributions for its political action committee through  
3 authorized deductions from employee compensation, the employer  
4 shall be entitled to deduct from sums to be remitted to the employee  
5 organization 1% of the total amount of such voluntary contribu-  
6 tions so withheld to compensate the employer for the administrative  
7 expense involved in making such deductions and payments.

1 3. (New section) It shall be unlawful for any person, employee  
2 organization, political action committee or public employer as afore-  
3 said to use any type of coercion, job discrimination, financial  
4 reprisal or threat of same or otherwise in any way favor or dis-

5 advantage any employee organization member with respect to the  
6 contribution or lack thereof by such member to a political action  
7 committee of such employee organization.

1 4. (New section) Any person who violates this act shall be liable  
2 to a penalty of \$250.00 for each individual offense to be brought  
3 in the name of the State by the Attorney General in a summary  
4 proceeding under the Penalty Enforcement Law (N. J. S. 2A:58-1  
5 et seq.), or in any case before a court of competent jurisdiction  
6 wherein injunctive relief has been requested.

1 5. This act shall take effect immediately.

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STATEMENT

This bill amends P. L. 1967, c. 310 (C. 52:14-15.9e) which permits the payroll deduction of voluntary employee contributions to be a bona fide political action committee of an employee organization, so that the term "dues" would include any voluntary employee contribution to be used in support of a bona fide political action committee as well as the previously designated deduction of regular dues as a condition of membership.

The bill further supplements Title 52 of the Revised Statutes and provides that employers are entitled to 1% of the total amount of the voluntary deductions to defray the administrative costs that are entailed in deducting the employees' contributions to the political action committee.

The bill makes it explicitly unlawful for any person, employee organization, political action committee or public employer to use any type of coercion, job discrimination, financial reprisal or threat of same concerning an employee's PAC contribution or lack thereof.

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ASSEMBLY LABOR COMMITTEE  
STATEMENT TO  
ASSEMBLY, No. 794  
with Assembly committee amendments

STATE OF NEW JERSEY

DATED: MAY 8, 1978

The Assembly Labor Committee favorably reports this bill to provide for a voluntary approach by public employee organizations for obtaining individual uniform financial contributions up to \$3.00 per year to such organizations' political action committees through the payroll deduction of member-employees.

Included in this bill are amendments approved last year by the Assembly designed, in part, to ensure conformity with F. E. C. regulations which prohibited an "optional rebate" or "negative checkoff" with regard to Federal campaign contributions by such committees. Its provisions make unlawful any type of coercion, job discrimination, financial reprisal (or threat of same) or any other action by any person, employee organization, political action committee or public employer that would favor or disadvantage a member of a bona fide employee organization on account of his contribution. Public employees, under those amendments, must be advised of these prohibitions (violations of which bring a \$250.00 fine) as part of an explanatory statement on any authorization form which must be separate and distinct from forms authorizing membership dues. Such forms must also:

- a. Set forth the purpose of the political action committee;
- b. Establish the voluntary nature of any prospective contribution;
- c. Indicate that the contribution is not a condition of organizational membership;
- d. Inform members that they can inspect appropriate spending reports on file with the State and Federal Government; and
- e. Advise employees of the potentially unlawful actions of employers and employee organizations set forth above.

A 1977 Assembly-approved provision has been retained to allow public employers to keep 1% of the contributions as a collection cost. Members making payroll deduction contributions would have the opportunity at anytime to halt those deductions as of the January 1 or July 1 next succeeding the date on which notice of withdrawal is filed (as is the case under the present law for membership dues deductions).

The committee amended the bill to make it clear that the new definition of dues would only be applicable to payroll deductions authorized in C. 52:14-15.9e, which this legislation modifies.

Testimony on the bill brought support from both the New Jersey Education Association and the International Federation of Professional and Technical Engineers Local 195, AFL-CIO. The N. J. E. A., in its position paper and testimony, asserted its belief in facilitating the political activity of teachers: "within the limitations prescribed by law, the association's political action committee supports and recommends to the membership candidates for state and federal offices." The organization went on to state that its "Political Action Committee supports candidates who seek to achieve legislative decisions consistent with... [its] efforts to insure a quality education for each New Jersey child and to advance the teaching profession." Local 195, in its testimony, asserted that the deduction authorized in Assembly Bill No. 794 was similar to deductions now permitted for such funds as the United Way.

The N. J. School Boards Association opposed the bill as "unfair to (1) the public at large (2) other political action committees and (3) school boards and other employers." It suggested several amendments, not adopted by the Committee, to modify the bill along lines approved by a Senate committee last year. The N. J. Business and Industry also opposed the bill.

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SENATE STATE GOVERNMENT, FEDERAL AND  
INTERSTATE RELATIONS AND VETERANS AFFAIRS  
COMMITTEE

STATEMENT TO  
**ASSEMBLY, No. 794**  
[OFFICIAL COPY REPRINT]

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**STATE OF NEW JERSEY**

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DATED: JULY 19, 1978

This bill amends Chapter 14 of Title 52 (C. 52:14-15.9e) to permit the payroll deduction of voluntary employee contributions to provide funds for "a bona fide political action committee" of an employee organization. Presently the law authorizes the payroll deduction of dues for such employee organizations.

In summary, the bill limits the amount of the contribution to be deducted from the salary of an individual to a maximum of \$3.00 per year. A similar bill introduced in the previous session set the maximum at \$2.00. The bill provides safeguards against the so-called "negative check-off" in that a form separate from the dues deduction form is to be used for the "PAC" deduction. The individual employee is thus required to take a positive action to authorize the deduction through the use of this separate form. The bill requires that the forms contain a specific declaration that the contribution is voluntary and that there be no coercion employed to get deductions authorized.

The bill contains a penalty provision which establishes a fine of \$250.00 for each violation of any one of the provisions of the act.

The bill in its present form is opposed by the New Jersey School Boards Association and the New Jersey Business and Industry Association. It has the support of the New Jersey Education Association and other employee groups.

The supporters of the bill believe it will be an important means of increasing participation in the political process by employees and point out that business and professional groups have their own "political action" funds. The supporters argue that the fund is strictly voluntary and that there are adequate safeguards to prevent the use of pressure to get an employee to contribute. Payroll deductions are commonplace for a wide variety of fund drives, the supporters urge,

and the elimination of the "negative checkoff" insures that the contribution will not be deducted automatically but will require a positive, affirmative act on the part of the employee.

The opponents of the bill do not quarrel, of course, with the principle of voluntary political action by employees. They do ask why, if a program is voluntary, it requires a legislative mandate. They argue that the bill would force a public entity — the school board — to deduct funds that would be used against it by a private organization — NJEA — in school board elections. They further argue that in the private sector such payroll deductions are subject to collective bargaining.

The following members of the committee were present and constituted a quorum: Senator Angelo Errichetti, Chairman; Senator Francis X. Herbert, Vice Chairman; and Senator Laurence S. Weiss.

While Senator Weiss was inclined to oppose the bill on general principle he determined, after participating in the committee's discussion, that he could support an action by the committee to report the bill favorably if it was amended to provide further safeguards and to provide certain conditions on its scope and application. He made a motion to amend the bill to limit the use of the funds collected under its provisions to elections on the State and Federal level and to make the installation of the PAC deduction in any given school district a matter for collective bargaining. His motion to amend the bill failed.

With the failure of his amendments, Senator Weiss could not support a motion to report the bill favorably. He did, however, join the other members of the committee in voting to release Assembly Bill No. 794 from committee without recommendation to give the membership of the Senate an opportunity to make a decision with respect to the bill.

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ASSEMBLY, No. 3046

STATE OF NEW JERSEY

INTRODUCED JANUARY 31, 1977

By Assemblymen SCHUCK, RAND, Assemblywoman CROCE, Assemblymen FORAN, WEIDEL, GORMAN, BASSANO, McMANIMON, PATERO, SNEDEKER, YATES and PELLECCIA

Referred to Committee on Labor, Industry and Professions

AN ACT concerning deductions from compensation to pay dues to employee organizations and amending P. L. 1967, c. 310.

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

1 1. Section 1 of P. L. 1967, c. 310 (C. 52:14-15.9e) is amended to  
2 read as follows:

3 1. Whenever any person holding employment, whose compensa-  
4 tion is paid by this State or by any county, municipality, board  
5 of education or authority in this State, or by any board, body,  
6 agency or commission thereof shall indicate in writing to the proper  
7 disbursing officer his desire to have any deductions made from  
8 his compensation, for the purpose of paying the employee's dues  
9 to a bona fide employee organization, designated by the employee  
10 in such request, and of which said employee is a member, such  
11 disbursing officer shall make such deduction from the compensa-  
12 tion of such person and such disbursing officer shall transmit the  
13 sum so deducted to the employee organization designated by the  
14 employee in such request. Any such written authorization may be  
15 withdrawn by such person holding employment at any time by the  
16 filing of notice of such withdrawal with the above-mentioned  
17 disbursing officer. The filing of notice of withdrawal shall be  
18 effective to halt deductions as of January 1 or July 1 next succeed-  
19 ing the date on which notice of withdrawal is filed.

20 *As used in this section dues shall mean moneys required to be*  
21 *paid by the employee as a condition of membership in a bona fide*  
22 *employee organization, and any voluntary employee contribution*  
23 *to be used in support of a bona fide political action committee of*  
24 *such employee organization.*

1 2. This act shall take effect immediately.

17300 1277

STATEMENT

The purpose of this bill is to clarify the definition of dues to include voluntary employee contributions to be used in support of a bona fide political action committee of an employee organization.

SENATE STATE GOVERNMENT, FEDERAL AND  
INTERSTATE RELATIONS AND VETERANS  
AFFAIRS COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 3046**

[THIRD OFFICIAL COPY REPRINT]

with Senate committee amendments

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**STATE OF NEW JERSEY**

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DATED: NOVEMBER 28, 1977

This bill amends chapter 14 of Title 52 (C. 52:14-15.9e) which permits the payroll deduction of voluntary employee contributions to "a bona fide political action committee" of an employee organization.

The bill has been the subject of considerable discussion during its progress through the Legislature to date. It has been amended in committee (Assembly Labor Committee) and on the floor as a result of debate in the Assembly.

As originally drafted the bill amended the present statute so that the term "dues" would include "any voluntary employee contribution to be used in support of a bona fide political action committee" as well as the previously designated deduction of regular dues "as a condition of membership." Political action funds were lumped in with regular organizational support funds.

In its amended form the bill now stipulates that:

1. The amount of the contribution be limited to \$2.00 per year per employee.

2: The form for use in authorizing the deduction for the political committee action must be separate and distinct from the form for authorizing regular dues deductions. This amendment is aimed at eliminating the so-called "reverse check-off" which the Attorney General has disallowed since the bill now requires employees to give approval, in advance, in writing rather than having the contribution deducted automatically.

3. The bill now requires that the forms for the contributions shall include an explanatory clause which states the purpose of the political action committee, specifies that the contributions are voluntary, specifies

that the contribution is not a condition of membership, attests that copies of the appropriate reports are on file with the proper Federal and State agencies and states that no coercion, discrimination, reprisal or threat thereof may be used to influence an employee with respect to his contribution.

4. The amended bill provides that employers are entitled to 1% of the total amount of the voluntary deductions to defray the administrative costs that are entailed in deducting the employees' contributions to the political action committee.

5. The bill as amended makes it explicitly unlawful for "any person, employee organization, political action committee or public employer" to use "any type of coercion, job discrimination, financial reprisal or threat of same" concerning an employee's PAC contribution "or lack thereof."

6. A penalty provision which the Assembly committee added by amendment establishes a fine of \$250.00 for each violation of the act.

The bill is supported by the NJEA.

It has been criticized by some representatives of the press and has been opposed by the Department of Higher Education, The New Jersey Schools Boards Association and the New Jersey Business and Industry Association.

The bill, as amended, appears to have answered most of the objections put forth by the Chancellor of Higher Education. Opposition to the bill continues to be voiced by the School Boards Association and NJBIA. One of the continuing objections has been that the bill infringes on the collective bargaining rights of the public employer by mandating, through law, deductions which are, in the private sector subject to the collective bargaining process.

The Senate State Government, Federal and Interstate Relations and Veterans Affairs Committee has further amended the bill to respond to remaining objections. One amendment makes the deduction of contributions a subject for collective bargaining. The other amendment prohibits the use of the funds collected through salary deductions in support of or opposition to candidates or public questions in municipal, county or school board elections. Their use would be limited to State and Federal-level elections.

The Senate committee amendments are strongly opposed by the N. J. E. A.

[SENATE REPRINT]

## ASSEMBLY, No. 3046

[THIRD OFFICIAL COPY REPRINT]

with Senate committee amendments adopted November 28, 1977

# STATE OF NEW JERSEY

INTRODUCED JANUARY 31, 1977

By Assemblymen SCHUCK, RAND, Assemblywoman CROCE, Assemblymen FORAN, WEIDEL, GORMAN, BASSANO, McMANIMON, PATERO, SNEDEKER, YATES and PELLECCIA

Referred to Committee on Labor, Industry and Professions

AN ACT concerning deductions from compensation to pay dues to employee organizations and amending P. L. 1967, c. 310 *and supplementing Title 52 of the Revised Statutes*.\*

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

1 1. Section 1 of P. L. 1967, c. 310 (C. 52:14-15.9e) is amended to  
2 read as follows:

3 1. Whenever any person holding employment, whose compensa-  
4 tion is paid by this State or by any county, municipality, board  
5 of education or authority in this State, or by any board, body,  
6 agency or commission thereof shall indicate in writing to the proper  
7 disbursing officer his desire to have any deductions made from  
8 his compensation, for the purpose of paying the employee's dues  
9 to a bona fide employee organization, designated by the employee  
10 in such request, and of which said employee is a member, such  
11 disbursing officer shall make such deduction from the compensa-  
12 tion of such person and such disbursing officer shall transmit the  
13 sum so deducted to the employee organization designated by the  
14 employee in such request. Any such written authorization may be  
15 withdrawn by such person holding employment at any time by the  
16 filing of notice of such withdrawal with the above-mentioned  
17 disbursing officer. The filing of notice of withdrawal shall be  
18 effective to halt deductions as of January 1 or July 1 next succeed-  
19 ing the date on which notice of withdrawal is filed.

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

20 ~~\*\*\*\*[As used in this section]~~\*\*\*\* ~~\*\*\*\*If agreed upon by the~~  
 20A ~~representatives of both negotiating parties and included in writing~~  
 20B ~~in a contract which is the product of collective bargaining as re-~~  
 20C ~~quired pursuant to law,\*\*\*\* dues shall mean moneys required to be~~  
 21 ~~paid by the employee as a condition of membership in a bona fide~~  
 22 ~~employee organization, and any voluntary employee contribution~~  
 23 ~~\*[to be used]\* \*\*not in excess of \*\*\*[\$3.00]\*\*\* \*\*\$2.00\*\*\* per~~  
 24 ~~year\*\* \*specifically authorized by the employee for use\* in support~~  
 25 ~~of a bona fide political action committee of such employee organiza-~~  
 26 ~~tion. \*Where any such voluntary authorization for contributions is~~  
 26A ~~indicated, \*\*\*forms separate and distinct from the forms authoriz-~~  
 26B ~~ing membership dues shall be used and the\*\*\* forms for such~~  
 27 ~~purpose shall include an explanatory statement:~~

- 28 a. *Setting forth the purpose of the political action committee;*
- 29 b. *Establishing the voluntary nature of the contribution;*
- 30 c. *That the contribution is not a condition of membership in the*  
 31 *employee organization or any of its affiliates;*
- 32 d. *That copies of appropriate reports are on file with the Federal*  
 33 *Election Commission and the New Jersey Election Law Enforce-*  
 34 *ment Commission; that such reports are available for inspection*  
 35 *upon request to the appropriate commission; and*
- 36 e. *That no person, employee organization, political action com-*  
 37 *mittee or public employer as aforesaid may use any type of coercion,*  
 38 *job discrimination, financial reprisal or threat of same or otherwise*  
 39 *in any way favor or disadvantage any employee organization*  
 40 *member with respect to his contribution or lack thereof.*

1 **\*\*2.** *Whenever an employee organization solicits voluntary con-*  
 2 *tributions for its political action committee through authorized*  
 3 *deductions from employee compensation, the employer shall be*  
 4 *entitled to deduct from sums to be remitted to the employee orga-*  
 5 *nization 1% of the total amount of such voluntary contributions so*  
 6 *withheld to compensate the employer for the administrative ex-*  
 7 *pense involved in making such deductions and payments.\*\**

1 **\*\*[2.]\*\* \*\*3.\*\*** *It shall be unlawful for any person, employee*  
 2 *organization, political action committee or public employer as afore-*  
 3 *said to use any type of coercion, job discrimination, financial re-*  
 4 *prisal or threat of same or otherwise in any way favor or dis-*  
 5 *advantage any employee organization member with respect to the*  
 6 *contribution or lack thereof by such member to a political action*  
 7 *committee of such employee organization.*

1 **\*\*\*\*4.** *It shall be unlawful for any person, employee organiza-*  
 2 *tion or political action committee to utilize any funds collected*



3 pursuant to this act to support or oppose any political organization,  
4 group, candidate or public question in a municipal, county or school  
5 board election.\*\*\*\*

1 \*\*[3.]\*\* \*\*\*\*[\*\*4.\*\*]\*\* \*\*\*\*5.\*\*\*\* Any person who violates  
2 this act shall be liable to a penalty of \$250.00 for each individual  
3 offense to be brought in the name of the State by the Attorney  
4 General in a summary proceeding under the Penalty Enforcement  
5 Law (N. J. S. 2A:58-1 et seq.), or in any case before a court of  
6 competent jurisdiction wherein injunctive relief has been  
7 requested.\*

1 \*[2.]\* \*\*[4.5]\*\* \*\*\*\*[\*\*5.\*\*]\*\* \*\*\*\*6.\*\*\*\* This act shall  
2 take effect immediately.