

ASSEMBLY, No. 1552

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblyman ROBERT D. CLIFTON

District 12 (Burlington, Middlesex, Monmouth and Ocean)

SYNOPSIS

Increases percent of public employees' charitable contributions that may be spent on administrative costs.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 **AN ACT** increasing the amount of charitable contributions by public
 2 employees that may be expended on administrative costs, and
 3 amending P.L.1985, c.140.

4
 5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
 6 *of New Jersey:*

7
 8 1. Section 12 of P.L.1985, c.140 (C.52:14-15.9c12) is amended
 9 to read as follows:

10 12. a. The campaign manager shall be entitled to deduct and
 11 expend prior to final distribution not more than **【10%】** 15 percent
 12 of the total amount of contributions for the administrative costs of
 13 the charitable fund-raising campaign as approved by the campaign
 14 steering committee. The campaign manager shall maintain all funds
 15 in an interest bearing account until their distribution. Interest earned
 16 on the funds shall be distributed in such manner as the campaign
 17 steering committee shall determine.

18 b. Undesignated contributions received in a State campaign
 19 shall be distributed by the campaign manager to the charitable fund-
 20 raising organizations participating in the campaign in the same
 21 proportion as designated contributions to participating fund-raising
 22 organizations, including contributions to affiliated charitable
 23 agencies, are distributed to the organizations.

24 c. Undesignated contributions received in a local governmental
 25 unit campaign shall be distributed by the campaign manager to
 26 participating or non-participating charitable fund-raising
 27 organizations or charitable agencies in such amounts as the
 28 campaign steering committee shall determine.
 29 (cf: P.L.1985, c.140, s.12)

30
 31 2. This act shall take effect immediately.

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 34 STATEMENT

35
 36 This bill would increase the percent of public employees'
 37 charitable contributions that organizations may use on
 38 administrative expenses from 10 percent to 15 percent.

39 The New Jersey Employees Charitable Campaign is the only
 40 approved charitable payroll deduction solicitation of State and local
 41 employees. Each year, thousands of State employees support their
 42 local communities by making tax-deductible charitable
 43 contributions directly through a payroll deduction. These
 44 contributions go toward qualifying community institutions like
 45 environmental organizations, senior citizen support groups, and

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 afterschool tutoring, among many others. When the Legislature
2 initially passed the “Public Employee Charitable Fund-Raising Act”
3 in 1985, the amount that a charitable organization could use toward
4 administrative costs was capped at 10 percent, which ensures that
5 overhead does not outpace actual charitable spending. In raising
6 the cap on administrative costs to 15 percent, the vast majority of
7 donations would still go directly toward the underlying projects
8 while permitting charities in New Jersey to use more funds to grow
9 their organizations and support their broader missions.