

**SENATE CONCURRENT
RESOLUTION No. 23**

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Senator MICHAEL J. DOHERTY

District 23 (Hunterdon, Somerset and Warren)

Senator JOSEPH PENNACCHIO

District 26 (Essex, Morris and Passaic)

Co-Sponsored by:

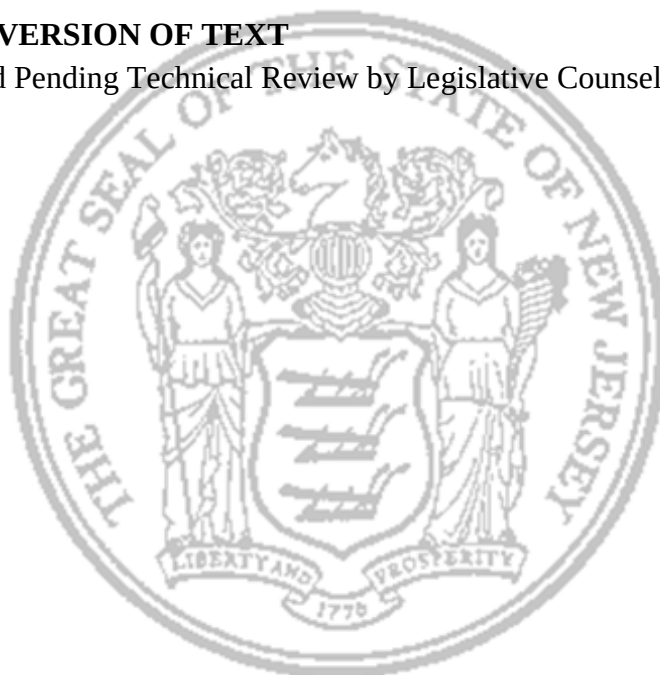
Senators Oroho, Cardinale and Holzapfel

SYNOPSIS

Proposes an amendment to Constitution specifying a method of providing for the maintenance and support of a thorough and efficient system of free public schools and allocating all income tax receipts to school districts.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 **A CONCURRENT RESOLUTION** proposing to amend Article VIII of
2 the New Jersey Constitution.

3

4 **BE IT RESOLVED** *by the Senate of the State of New Jersey (the*
5 *General Assembly concurring):*

6

7 1. The following proposed amendment to the Constitution of
8 the State of New Jersey is agreed to:

9

10 PROPOSED AMENDMENT

11

12 a. Amend Article VIII, Section I, paragraph 7, to read as
13 follows:

14 7. a. No tax shall be levied on personal incomes of individuals,
15 estates and trusts of this State unless the entire net receipts
16 therefrom shall be received into the treasury, placed in a perpetual
17 fund designated the Property Tax Relief Fund and be annually
18 appropriated **【**, pursuant to formulas established from time to time
19 by the Legislature,**】** to the several **【**counties, municipalities and**】**
20 school districts of this State exclusively for the purpose of reducing
21 or offsetting property taxes. In no event, however, shall a tax so
22 levied on personal incomes be levied on payments received under
23 the federal Social Security Act, the federal Railroad Retirement Act,
24 or any federal law which substantially reenacts the provisions of
25 either of those laws.

26 b. There shall be annually credited from the General Fund and
27 placed in a special account in the perpetual Property Tax Relief
28 Fund established pursuant to this paragraph, which account shall be
29 designated the Property Tax Reform Account, an amount equal to
30 the annual revenue derived from a tax rate of 0.5% imposed under
31 the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.),
32 as amended and supplemented, or any other subsequent law of
33 similar effect, which amount shall be appropriated annually by the
34 Legislature exclusively for the purpose of property tax reform.
35 (cf: Art. VIII, Sec. I, par.7; amended effective December 7, 2006)

36

37 b. Amend Article VIII, Section IV, paragraph 1, to read as
38 follows:

39 1. The Legislature shall provide for the maintenance and
40 support of a thorough and efficient system of free public schools for
41 the instruction of all the children in the State between the ages of
42 five and eighteen years through the allocation of the entire net
43 receipts from any tax levied on the personal incomes of individuals,
44 estates, and trusts of this State based on an equal allotment per

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 student. Nothing contained herein shall restrict, limit, or otherwise
2 affect the right of the Legislature to regulate additional funding for
3 the maintenance and support of a thorough and efficient system of
4 free public schools in the manner and to the extent the Legislature
5 determines to be appropriate.

6 (cf: Art. VIII, Sec. IV, par.1)

7
8 2. When this proposed amendment to the Constitution is finally
9 agreed to pursuant to Article IX, paragraph 1 of the Constitution, it
10 shall be submitted to the people at the next general election
11 occurring more than three months after the final agreement and
12 shall be published at least once in at least one newspaper of each
13 county designated by the President of the Senate, the Speaker of the
14 General Assembly and the Secretary of State, not less than three
15 months prior to the general election.

16
17 3. This proposed amendment to the Constitution shall be
18 submitted to the people at that election in the following manner and
19 form:

20 There shall be printed on each official ballot to be used at the
21 general election, the following:

22 a. In every municipality in which voting machines are not used,
23 a legend which shall immediately precede the question as follows:

24 If you favor the proposition printed below make a cross (X), plus
25 (+), or check (✓) in the square opposite the word "Yes." If you are
26 opposed thereto make a cross (X), plus (+) or check (✓) in the
27 square opposite the word "No."

28 b. In every municipality the following question:

	YES	<p>CONSTITUTIONAL AMENDMENT SPECIFYING METHOD OF FUNDING PUBLIC SCHOOLS</p> <p>Do you approve the amendment to Article VIII of the New Jersey Constitution establishing a method for funding public schools? The amendment specifies that the Legislature will provide for the maintenance and support of a thorough and efficient system of free public schools by allocating the net receipts of the gross income tax to school districts on a per pupil basis. The amendment also clarifies that nothing in the constitutional provision would limit, restrict, or otherwise affect the Legislature’s right to regulate additional funding for the maintenance and support of a thorough and efficient system of free public schools. The proposed amendment also modifies the constitutional provision that authorizes the gross income tax by specifying that all such receipts will be appropriated to school districts.</p>
	NO	<p>INTERPRETIVE STATEMENT</p> <p>This proposed constitutional amendment adds language to the existing constitutional provision requiring the Legislature to maintain and support a thorough and efficient system of free public schools. The new language states that the Legislature will satisfy this obligation by allocating the net receipts from the gross income tax to school districts on a per pupil basis. The proposed amendment also changes the current constitutional provision authorizing the gross income tax to require that all revenue generated by the gross income tax will be appropriated to school districts. The current provision allows the revenue to be appropriated to counties and municipalities, as well as school districts.</p>

STATEMENT

Whereas, paragraph 1 of Article III states, “The powers of the government shall be divided among three distinct branches, the legislative, executive, and judicial. No person or persons belonging to or constituting one branch shall exercise any of the powers properly belonging to either of the others, except as expressly provided in this Constitution.”

Whereas, paragraph 1 of Section IV of Article VIII states, “The Legislature shall provide for the maintenance and support of a thorough and efficient system of free public schools for the instruction of all the children in the State between the ages of five and eighteen years.”

Whereas, paragraph 2 of Section IV of Article VIII states, “The fund for the support of free public schools...shall be annually appropriated to the support of free public schools, and for the equal benefit of all the people of the State.”

Whereas, paragraph 7 of Section I of Article VIII states that the income tax is to be, “...annually appropriated...exclusively for the purpose of reducing or offsetting property taxes.”

This proposed constitutional amendment provides that the Legislature will provide for the maintenance and support of a thorough and efficient system of free public schools by appropriating the net receipts from the gross income tax to school districts on a per pupil basis. The amendment also clarifies that nothing in the constitutional provision would restrict, limit, or otherwise affect the right of the Legislature to regulate additional funding to districts. Last, it amends the constitutional provision that authorizes the gross income tax to specify that all of the revenue will be appropriated to school districts, as opposed to school districts, counties and municipalities.