

SENATE, No. 2881

STATE OF NEW JERSEY
213th LEGISLATURE

INTRODUCED JUNE 11, 2009

Sponsored by:

Senator LORETTA WEINBERG

District 37 (Bergen)

Senator PAUL A. SARLO

District 36 (Bergen, Essex and Passaic)

SYNOPSIS

Imposes temporary requirement on county treasurer to forward \$300 from certain mortgage execution sales to provide funding for Legal Services of New Jersey.

CURRENT VERSION OF TEXT

As introduced.



S2881 WEINBERG, SARLO

2

1 AN ACT concerning Legal Services, amending P.L.2001, c.370 and
2 supplementing Title 2A of the New Jersey Statutes.

3

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

6

7 1. Section 6 of P.L.2001, c.370 (C.22A:4-8.1) is amended to
8 read as follows:

9 6. a. The county treasurer shall be responsible for all fees
10 received by or deposited with the county sheriff pursuant to
11 N.J.S.22A:4-8. The county sheriff shall account to the county
12 treasurer for all these fees.

13 b. (1) The county treasurer shall deposit into a trust fund
14 dedicated to the sheriff's office \$2.00 of each fee over the amount of
15 \$3.00 received for a service enumerated in N.J.S.22A:4-8. Such
16 sums shall be deposited within 10 days of receipt by the county
17 treasurer. Monies in the trust fund shall be used to upgrade and
18 modernize the services provided by their offices. As used in this
19 section, "to upgrade and modernize the services" shall not include
20 the costs associated with employing personnel and shall not include
21 offset of existing salary or new positions. The monies in the trust
22 fund shall not be used for budgetary reduction by the counties.

23 (2) The county treasurer shall forward to the State Treasurer for
24 deposit in the Legal Services Trust Fund established pursuant to
25 section 2 of P.L. , c. (C.) (pending before the Legislature
26 as this bill) the sum of \$300 from each mortgage execution sale
27 exceeding \$7,000 that is conducted by the sheriff.

28 c. Notwithstanding any provision of law to the contrary,
29 monies received by a county sheriff attributable solely to the
30 amount of fee increases for services enumerated in N.J.S.22A:4-8
31 pursuant to the amendments set forth in section 5 of P.L.2001,
32 c.370, that exceed in any year the amount by which the annual
33 minimum salary of the sheriff fixed pursuant to N.J.S.40A:9-104
34 exceeds the amount of the county sheriff's salary in effect on
35 November 1, 2000, shall be used for budgetary reduction by the
36 county and shall be reflected as a county tax levy reduction.
37 (cf: P.L.2001, c.370, s.6)

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39 2. (New section) a. There is established in the General Fund the
40 "Legal Services Trust Fund" as a nonlapsing revolving fund in the
41 Department of the Treasury. Monies deposited in the fund shall be
42 appropriated and distributed to Legal Services of New Jersey to
43 provide legal assistance to the poor in civil matters. Interest and
44 other income earned on moneys deposited into this fund shall be
45 credited to the fund. The State Treasurer shall perform an audit of

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 this fund annually and the results of the audit shall be included in
2 the report required pursuant to subsection b. of this section.

3 b. The State Treasurer shall submit an annual report to the
4 Legislature, pursuant to section 2 of P.L.1991, c.164 (C.52:14-
5 19.1), on the use of the funds created pursuant to this section.

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7 3. This act shall take effect immediately and shall expire five
8 years after the effective date.

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STATEMENT

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13 Over the past two years Legal Services of New Jersey has
14 incurred a gross revenue decline of \$37 million, more than half of
15 its total funding, from reductions in the "Income on Non-Interest
16 Bearing Lawyer Trust Accounts" (IOLTA) program authorized by
17 the New Jersey Supreme Court. These reductions have occurred at
18 a time when, because of the State's overall economic decline, the
19 civil legal needs of low-income New Jerseyans, those below 200%
20 of the federal poverty level, are increasing. Legal Services now
21 receives significantly more requests for help for nearly every type
22 of civil legal problem and urgently needs additional resources to
23 help meet this demand.

24 This bill provides an additional funding mechanism for Legal
25 Services with monies from certain mortgage execution sales. Under
26 the bill, the county treasurer would be required to forward to the
27 State Treasurer for deposit in the Legal Services Trust Fund created
28 under the bill the amount of \$300 from each mortgage execution
29 sale exceeding \$7,000 that is conducted by the county sheriff.

30 It is the sponsor's intent that the \$300 amount from these
31 execution sales will supplement the current funding that Legal
32 Services of New Jersey receives, to allow it to provide and maintain
33 legal services to clients for their essential legal problems in
34 housing, consumer, family, entitlement and other civil legal matters.

35 The requirement for the county treasurer to forward the \$300
36 amount from execution sales is temporary, and would expire five
37 years after the effective date.

ASSEMBLY, No. 3968
STATE OF NEW JERSEY
213th LEGISLATURE

INTRODUCED MAY 18, 2009

Sponsored by:

Assemblywoman VALERIE VAINIERI HUTTLE

District 37 (Bergen)

Assemblyman PETER J. BARNES, III

District 18 (Middlesex)

Assemblywoman ELEASE EVANS

District 35 (Bergen and Passaic)

SYNOPSIS

Imposes temporary requirement on county treasurer to forward \$300 from certain mortgage execution sales to provide funding for Legal Services of New Jersey.

CURRENT VERSION OF TEXT

As introduced.

AN ACT concerning Legal Services, amending P.L.2001, c.370 and supplementing Title 2A of the New Jersey Statutes.

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

1. Section 6 of P.L.2001, c.370 (C.22A:4-8.1) is amended to read as follows:

6. a. The county treasurer shall be responsible for all fees received by or deposited with the county sheriff pursuant to N.J.S.22A:4-8. The county sheriff shall account to the county treasurer for all these fees.

b. (1) The county treasurer shall deposit into a trust fund dedicated to the sheriff's office \$2.00 of each fee over the amount of \$3.00 received for a service enumerated in N.J.S.22A:4-8. Such sums shall be deposited within 10 days of receipt by the county treasurer. Monies in the trust fund shall be used to upgrade and modernize the services provided by their offices. As used in this section, "to upgrade and modernize the services" shall not include the costs associated with employing personnel and shall not include offset of existing salary or new positions. The monies in the trust fund shall not be used for budgetary reduction by the counties.

(2) The county treasurer shall forward to the State Treasurer for deposit in the Legal Services Trust Fund established pursuant to section 2 of P.L. , c. (C.) (pending before the Legislature as this bill) the sum of \$300 from each mortgage execution sale exceeding \$7,000 that is conducted by the sheriff.

c. Notwithstanding any provision of law to the contrary, monies received by a county sheriff attributable solely to the amount of fee increases for services enumerated in N.J.S.22A:4-8 pursuant to the amendments set forth in section 5 of P.L.2001, c.370, that exceed in any year the amount by which the annual minimum salary of the sheriff fixed pursuant to N.J.S.40A:9-104 exceeds the amount of the county sheriff's salary in effect on November 1, 2000, shall be used for budgetary reduction by the county and shall be reflected as a county tax levy reduction.

(cf: P.L.2001, c.370, s.6)

2. (New section) a. There is established in the General Fund the "Legal Services Trust Fund" as a nonlapsing revolving fund in the Department of the Treasury. Monies deposited in the fund shall be appropriated and distributed to Legal Services of New Jersey to provide legal assistance to the poor in civil matters. Interest and other income earned on moneys deposited into this fund shall be credited to the fund. The State Treasurer shall perform an audit of this fund annually and the results of the audit shall be included in the report required pursuant to subsection b. of this section.

b. The State Treasurer shall submit an annual report to the Legislature, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), on the use of the funds created pursuant to this section.

3. This act shall take effect immediately and shall expire five years after the effective date.

STATEMENT

Over the past two years Legal Services of New Jersey has incurred a gross revenue decline of \$37 million, more than half of its total funding, from reductions in the "Income on Non-Interest Bearing Lawyer Trust Accounts" (IOLTA) program authorized by the New Jersey Supreme Court. These reductions have occurred at a time when, because of the State's overall economic decline, the civil legal needs of low-income New Jerseyans, those below 200% of the federal poverty level, are increasing. Legal Services now receives significantly more requests for help for nearly every type of civil legal problem and urgently needs additional resources to help meet this demand.

This bill provides an additional funding mechanism for Legal Services with monies from certain mortgage execution sales. Under the bill, the county treasurer would be required to forward to the State Treasurer for deposit in the Legal Services Trust Fund created under the bill the amount of \$300 from each mortgage execution sale exceeding \$7,000 that is conducted by the county sheriff.

It is the sponsor's intent that the \$300 amount from these execution sales will supplement the current funding that Legal Services of New Jersey receives, to allow it to provide and maintain legal services to clients for their essential legal problems in housing, consumer, family, entitlement and other civil legal matters.

The requirement for the county treasurer to forward the \$300 amount from execution sales is temporary, and would expire five years after the effective date.