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Beware the Pitfalls of School Residency

With parents having more “School Choice” options, school districts have seen an increase in parents attempting to send their children to districts in which the parents do not reside.

New Jersey law requires school districts to provide a free public education, with some exceptions, to students who are domiciled in the district. Domiciled is a legally defined term, but generally means that the student is actually living in the school district. Ownership or leasing residential property in the school district, does not by itself allow a student to attend school in that district if the student or student’s parent or guardian does not actually live there.

Many school-age children in New Jersey are not allowed to register for or attend public schools because of disputes over where they live. And school districts can ask for proof (property tax bills, voter registration, etc.) of where a student lives and whether the student is domiciled in the district.

If the school later learns that the student is not domiciled in the district, the parent or guardian of the student may be held responsible for compensating the school district for the cost of educating the student—which can be in the thousands of dollars.

If you have questions regarding any type of education law issue, contact Eric Goldstein, Esq. today at 609-927-1177.



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Realtor-Prepared Home Sale Contracts & the 3-Day Attorney Review Period

In New Jersey, after a contract for the sale of residential real estate is signed and delivered to the parties, the three-day attorney review period begins. You must act quickly if you want to obtain legal advice concerning what you just signed.

Buyers/sellers typically have three days from receipt of the fully executed contract to have an attorney review it. Then the contract must be accepted, disapproved, or to cancelled completely if one side has second thoughts about the deal. If the contract is not disapproved or cancelled within the attorney review period, you are bound by the contract as written.

If the attorney and client decide that changes must be made, the contract must be disapproved and changes provided to

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**Nehmad Perillo
Davis & Goldstein
is pleased to
announce our
relocated Avalon office:**

**2123 Dune Drive, Suite 1
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T 609.927.1177**

**Same Building,
Different Suite!**

The Paid Sick Leave Act

Last year Governor Phil Murphy signed into law the New Jersey Paid Sick Leave Act, mandating that all “employers” in the state of New Jersey provide paid sick leave to their employees.

Employer includes any person, firm, business, education institution, nonprofit agency, corporation, limited liability company or other entity that employs employees in the state. There is no minimum number of employees in the entity.

Public employers that provide their employees with sick leave and full pay are exempt from the Act’s provisions.

For those who qualify, paid sick leave begins to accrue on the effective date of the Act (October 29, 2018). For employees who start work after that date, sick leave begins on the date the employment commences.

The Act computes the rate of accrual as one hour per 30 hours worked, capped at 40 hours in one year.

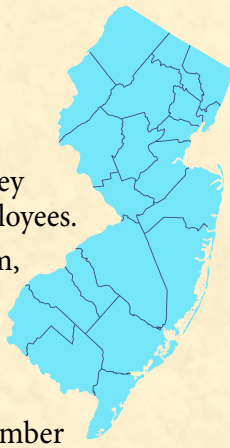
If an employer does not ordinarily record an employee’s hours it now has to begin recording the actual hours worked for that employee to calculate earned sick leave. Otherwise, there is a presumption that the employee works 40 hours per week.

To avoid having to track hours, the employer may enact a policy that provides an employee with 40 hours of earned sick leave at the beginning of each benefit year.

Once sick time is accrued, an employee may carry over the accrued time into the next benefit year, capped at 40 hours per year. Employers may require their employees to provide up to 7 days notice before using sick leave, where reasonably foreseeable.

The Paid Sick Leave Act expressly outlines the reasons for use of sick leave, which can be found on the Department of Labor’s webpage—nj.gov/labor.

This new law should lead employers to revisit their employee handbooks and employee attendance, leave and disciplinary policies to ensure compliance. When in doubt, NPD&G offers experienced attorneys to help ensure compliance with the Act.



Realtor-Prepared Home Sale Contracts & the 3-Day Attorney Review Period
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the other party. If the parties can’t agree the contract is void.

After the three-day review, the buyer may elect to perform inspections on the property as set forth in the contract. Generally buyers order a home inspection and inspections for termites, radon, lead paint, asbestos, buried oil tanks, flood searches and well tests. These inspections alert the buyer to any negative issues with the home that could cause problems down the road after the sale is completed.

If you sign a real estate contract, call NPD&G quickly thereafter to make sure your interests are protected.

BANKRUPTCY AND RETIREMENT ACCOUNTS

If you are considering filing a bankruptcy, pay attention to whether a particular asset will be “exempt” from creditors. Under the Bankruptcy Code (Section 522) “exemption” means the debtor may retain the asset regardless of the amount of debt he or she is seeking to discharge.

One asset category which is generally exempt is retirement accounts. Usually, both under New Jersey Law and Bankruptcy Law (federal), funds in a “qualified exempt from taxation” account(s) are exempt from creditors, regardless of the amount held assuming it is deemed reasonably necessary for the debtor’s retirement needs.

There has been substantial litigation as to funds which are not exempt from creditors. For example, funds coming into retirement accounts from a third-party may NOT be exempt. This would include funds obtained by inheritance or divorce. But courts have not been consistent in their decisions on this issue. Most recently a court held that since the debtor did not set aside the funds himself, they did not fit into the definition of retirement funds and, therefore, were NOT exempt. *Lerbakken v. Sieloff and Associates, P.A.*, 590 B.R. 895 (2018).

For these reasons, it is best to hire an experienced bankruptcy attorney when considering filing, be it a Chapter 11, Chapter 13 or Chapter 7. Feel free to contact Scott H. Marcus at our office for a free initial consultation.



This newsletter is an informational publication of the law firm of Nehmad Perillo Davis & Goldstein, P.C. and should not be considered formal legal advice or the establishment of an attorney-client relationship.

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