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RWH/JA.

P.L.2017, CHAPTER 138, *approved July 21, 2017*

Senate, No. 3176

1 **AN ACT** concerning the calculation of employee taxes for temporary
2 disability insurance and family leave insurance and amending
3 R.S.43:21-7.
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:
7

8 1. R.S.43:21-7 is amended to read as follows:

9 43:21-7. Employers other than governmental entities, whose
10 benefit financing provisions are set forth in section 4 of P.L.1971,
11 c.346 (C.43:21-7.3), and those nonprofit organizations liable for
12 payment in lieu of contributions on the basis set forth in section 3 of
13 P.L.1971, c.346 (C.43:21-7.2), shall pay to the controller for the
14 unemployment compensation fund, contributions as set forth in
15 subsections (a), (b) and (c) hereof, and the provisions of subsections
16 (d) and (e) shall be applicable to all employers, consistent with the
17 provisions of the "unemployment compensation law" and the
18 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25
19 et al.).

20 (a) Payment.

21 (1) Contributions shall accrue and become payable by each
22 employer for each calendar year in which he is subject to this
23 chapter (R.S.43:21-1 et seq.), with respect to having individuals in
24 his employ during that calendar year, at the rates and on the basis
25 hereinafter set forth. Such contributions shall become due and be
26 paid by each employer to the controller for the fund, in accordance
27 with such regulations as may be prescribed, and shall not be
28 deducted, in whole or in part, from the remuneration of individuals
29 in his employ.

30 (2) In the payment of any contributions, a fractional part of a
31 cent shall be disregarded unless it amounts to \$0.005 or more, in
32 which case it shall be increased to \$0.01.

33 (b) Rate of contributions. Each employer shall pay the following
34 contributions:

35 (1) For the calendar year 1947, and each calendar year
36 thereafter, 2 7/10% of wages paid by him during each such calendar
37 year, except as otherwise prescribed by subsection (c) of this
38 section.

39 (2) The "wages" of any individual, with respect to any one
40 employer, as the term is used in this subsection (b) and in
41 subsections (c), (d) and (e) of this section 7, shall include the first
42 \$4,800.00 paid during calendar year 1975, for services performed
43 either within or without this State; provided that no contribution

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 shall be required by this State with respect to services performed in
2 another state if such other state imposes contribution liability with
3 respect thereto. If an employer (hereinafter referred to as a
4 successor employer) during any calendar year acquires substantially
5 all the property used in a trade or business of another employer
6 (hereinafter referred to as a predecessor), or used in a separate unit
7 of a trade or business of a predecessor, and immediately after the
8 acquisition employs in his trade or business an individual who
9 immediately prior to the acquisition was employed in the trade or
10 business of such predecessors, then, for the purpose of determining
11 whether the successor employer has paid wages with respect to
12 employment equal to the first \$4,800.00 paid during calendar year
13 1975, any wages paid to such individual by such predecessor during
14 such calendar year and prior to such acquisition shall be considered
15 as having been paid by such successor employer.

16 (3) For calendar years beginning on and after January 1, 1976,
17 the "wages" of any individual, as defined in the preceding
18 paragraph (2) of this subsection (b), shall be established and
19 promulgated by the Commissioner of Labor and Workforce
20 Development on or before September 1 of the preceding year and
21 shall be, 28 times the Statewide average weekly remuneration paid
22 to workers by employers, as determined under R.S.43:21-3(c),
23 raised to the next higher multiple of \$100.00 if not already a
24 multiple thereof, provided that if the amount of wages so
25 determined for a calendar year is less than the amount similarly
26 determined for the preceding year, the greater amount will be used;
27 provided, further, that if the amount of such wages so determined
28 does not equal or exceed the amount of wages as defined in
29 subsection (b) of section 3306 of the Internal Revenue Code of
30 1986 (26 U.S.C. s.3306(b)), the wages as determined in this
31 paragraph in any calendar year shall be raised to equal the amount
32 established under the "Federal Unemployment Tax Act," chapter 23
33 of the Internal Revenue Code of 1986 (26 U.S.C. s.3301 et seq.), for
34 that calendar year.

35 (c) Future rates based on benefit experience.

36 (1) A separate account for each employer shall be maintained
37 and this shall be credited with all the contributions which he has
38 paid on his own behalf on or before January 31 of any calendar year
39 with respect to employment occurring in the preceding calendar
40 year; provided, however, that if January 31 of any calendar year
41 falls on a Saturday or Sunday, an employer's account shall be
42 credited as of January 31 of such calendar year with all the
43 contributions which he has paid on or before the next succeeding
44 day which is not a Saturday or Sunday. But nothing in this chapter
45 (R.S.43:21-1 et seq.) shall be construed to grant any employer or
46 individuals in his service prior claims or rights to the amounts paid
47 by him into the fund either on his own behalf or on behalf of such
48 individuals. Benefits paid with respect to benefit years commencing

1 on and after January 1, 1953, to any individual on or before
2 December 31 of any calendar year with respect to unemployment in
3 such calendar year and in preceding calendar years shall be charged
4 against the account or accounts of the employer or employers in
5 whose employment such individual established base weeks
6 constituting the basis of such benefits, except that, with respect to
7 benefit years commencing after January 4, 1998, an employer's
8 account shall not be charged for benefits paid to a claimant if the
9 claimant's employment by that employer was ended in any way
10 which, pursuant to subsection (a), (b), (c), (f), (g) or (h) of
11 R.S.43:21-5, would have disqualified the claimant for benefits if the
12 claimant had applied for benefits at the time when that employment
13 ended. Benefits paid under a given benefit determination shall be
14 charged against the account of the employer to whom such
15 determination relates. When each benefit payment is made,
16 notification shall be promptly provided to each employer included
17 in the unemployment insurance monetary calculation of benefits.
18 Such notification shall identify the employer against whose account
19 the amount of such payment is being charged, shall show at least
20 the name and social security account number of the claimant and
21 shall specify the period of unemployment to which said benefit
22 payment applies.

23 An annual summary statement of unemployment benefits
24 charged to the employer's account shall be provided.

25 (2) Regulations may be prescribed for the establishment,
26 maintenance, and dissolution of joint accounts by two or more
27 employers, and shall, in accordance with such regulations and upon
28 application by two or more employers to establish such an account,
29 or to merge their several individual accounts in a joint account,
30 maintain such joint account as if it constituted a single employer's
31 account.

32 (3) No employer's rate shall be lower than 5.4% unless
33 assignment of such lower rate is consistent with the conditions
34 applicable to additional credit allowance for such year under section
35 3303(a)(1) of the Internal Revenue Code of 1986 (26 U.S.C.
36 s.3303(a)(1)), any other provision of this section to the contrary
37 notwithstanding.

38 (4) Employer Reserve Ratio. (A) Each employer's rate shall be 2
39 8/10%, except as otherwise provided in the following provisions.
40 No employer's rate for the 12 months commencing July 1 of any
41 calendar year shall be other than 2 8/10%, unless as of the
42 preceding January 31 such employer shall have paid contributions
43 with respect to wages paid in each of the three calendar years
44 immediately preceding such year, in which case such employer's
45 rate for the 12 months commencing July 1 of any calendar year
46 shall be determined on the basis of his record up to the beginning of
47 such calendar year. If, at the beginning of such calendar year, the
48 total of all his contributions, paid on his own behalf, for all past

1 years exceeds the total benefits charged to his account for all such
2 years, his contribution rate shall be:

3 (1) $2\frac{5}{10}\%$, if such excess equals or exceeds 4%, but less than
4 5%, of his average annual payroll (as defined in paragraph (2),
5 subsection (a) of R.S.43:21-19);

6 (2) $2\frac{2}{10}\%$, if such excess equals or exceeds 5%, but is less
7 than 6%, of his average annual payroll;

8 (3) $1\frac{9}{10}\%$, if such excess equals or exceeds 6%, but is less
9 than 7%, of his average annual payroll;

10 (4) $1\frac{6}{10}\%$, if such excess equals or exceeds 7%, but is less
11 than 8%, of his average annual payroll;

12 (5) $1\frac{3}{10}\%$, if such excess equals or exceeds 8%, but is less
13 than 9%, of his average annual payroll;

14 (6) 1%, if such excess equals or exceeds 9%, but is less than
15 10%, of his average annual payroll;

16 (7) $\frac{7}{10}$ of 1%, if such excess equals or exceeds 10%, but is less
17 than 11%, of his average annual payroll;

18 (8) $\frac{4}{10}$ of 1%, if such excess equals or exceeds 11% of his
19 average annual payroll.

20 (B) If the total of an employer's contributions, paid on his own
21 behalf, for all past periods for the purposes of this paragraph (4), is
22 less than the total benefits charged against his account during the
23 same period, his rate shall be:

24 (1) 4%, if such excess is less than 10% of his average annual
25 payroll;

26 (2) $4\frac{3}{10}\%$, if such excess equals or exceeds 10%, but is less
27 than 20%, of his average annual payroll;

28 (3) $4\frac{6}{10}\%$, if such excess equals or exceeds 20% of his
29 average annual payroll.

30 (C) Specially assigned rates.

31 (i) If no contributions were paid on wages for employment in
32 any calendar year used in determining the average annual payroll of
33 an employer eligible for an assigned rate under this paragraph (4),
34 the employer's rate shall be specially assigned as follows:

35 if the reserve balance in its account is positive, its assigned rate
36 shall be the highest rate in effect for positive balance accounts for
37 that period, or 5.4%, whichever is higher, and

38 if the reserve balance in its account is negative, its assigned rate
39 shall be the highest rate in effect for deficit accounts for that period.

40 (ii) If, following the purchase of a corporation with little or no
41 activity, known as a corporate shell, the resulting employing unit
42 operates a new or different business activity, the employing unit
43 shall be assigned a new employer rate.

44 (iii) Entities operating under common ownership, management or
45 control, when the operation of the entities is not identifiable,
46 distinguishable and severable, shall be considered a single employer
47 for the purposes of this chapter (R.S.43:21-1 et seq.).

1 (D) The contribution rates prescribed by subparagraphs (A) and
2 (B) of this paragraph (4) shall be increased or decreased in
3 accordance with the provisions of paragraph (5) of this subsection
4 (c) for experience rating periods through June 30, 1986.

5 (5) (A) Unemployment Trust Fund Reserve Ratio. If on March
6 31 of any calendar year the balance in the unemployment trust fund
7 equals or exceeds 4% but is less than 7% of the total taxable wages
8 reported to the controller as of that date in respect to employment
9 during the preceding calendar year, the contribution rate, effective
10 July 1 following, of each employer eligible for a contribution rate
11 calculation based upon benefit experience, shall be increased by
12 $\frac{3}{10}$ of 1% over the contribution rate otherwise established under
13 the provisions of paragraph (3) or (4) of this subsection. If on
14 March 31 of any calendar year the balance of the unemployment
15 trust fund exceeds $2\frac{1}{2}\%$ but is less than 4% of the total taxable
16 wages reported to the controller as of that date in respect to
17 employment during the preceding calendar year, the contribution
18 rate, effective July 1 following, of each employer eligible for a
19 contribution rate calculation based upon benefit experience, shall be
20 increased by $\frac{6}{10}$ of 1% over the contribution rate otherwise
21 established under the provisions of paragraph (3) or (4) of this
22 subsection.

23 If on March 31 of any calendar year the balance of the
24 unemployment trust fund is less than $2\frac{1}{2}\%$ of the total taxable
25 wages reported to the controller as of that date in respect to
26 employment during the preceding calendar year, the contribution
27 rate, effective July 1 following, of each employer: (1) eligible for a
28 contribution rate calculation based upon benefit experience, shall be
29 increased by (i) $\frac{6}{10}$ of 1% over the contribution rate otherwise
30 established under the provisions of paragraph (3), (4)(A) or (4)(B)
31 of this subsection, and (ii) an additional amount equal to 20% of the
32 total rate established herein, provided, however, that the final
33 contribution rate for each employer shall be computed to the nearest
34 multiple of $\frac{1}{10}\%$ if not already a multiple thereof; (2) not eligible
35 for a contribution rate calculation based upon benefit experience,
36 shall be increased by $\frac{6}{10}$ of 1% over the contribution rate
37 otherwise established under the provisions of paragraph (4) of this
38 subsection. For the period commencing July 1, 1984 and ending
39 June 30, 1986, the contribution rate for each employer liable to pay
40 contributions under R.S.43:21-7 shall be increased by a factor of
41 10% computed to the nearest multiple of $\frac{1}{10}\%$ if not already a
42 multiple thereof.

43 (B) If on March 31 of any calendar year the balance in the
44 unemployment trust fund equals or exceeds 10% but is less than $12\frac{1}{2}\%$
45 of the total taxable wages reported to the controller as of that
46 date in respect to employment during the preceding calendar year,
47 the contribution rate, effective July 1 following, of each employer
48 eligible for a contribution rate calculation based upon benefit

1 experience, shall be reduced by 3/10 of 1% under the contribution
 2 rate otherwise established under the provisions of paragraphs (3)
 3 and (4) of this subsection; provided that in no event shall the
 4 contribution rate of any employer be reduced to less than 4/10 of
 5 1%. If on March 31 of any calendar year the balance in the
 6 unemployment trust fund equals or exceeds 12 1/2% of the total
 7 taxable wages reported to the controller as of that date in respect to
 8 employment during the preceding calendar year, the contribution
 9 rate, effective July 1 following, of each employer eligible for a
 10 contribution rate calculation based upon benefit experience, shall be
 11 reduced by 6/10 of 1% if his account for all past periods reflects an
 12 excess of contributions paid over total benefits charged of 3% or
 13 more of his average annual payroll, otherwise by 3/10 of 1% under
 14 the contribution rate otherwise established under the provisions of
 15 paragraphs (3) and (4) of this subsection; provided that in no event
 16 shall the contribution rate of any employer be reduced to less than
 17 4/10 of 1%.

18 (C) The "balance" in the unemployment trust fund, as the term is
 19 used in subparagraphs (A) and (B) above, shall not include moneys
 20 credited to the State's account under section 903 of the Social
 21 Security Act, as amended (42 U.S.C. s.1103), during any period in
 22 which such moneys are appropriated for the payment of expenses
 23 incurred in the administration of the "unemployment compensation
 24 law."

25 (D) Prior to July 1 of each calendar year the controller shall
 26 determine the Unemployment Trust Fund Reserve Ratio, which
 27 shall be calculated by dividing the balance of the unemployment
 28 trust fund as of the prior March 31 by total taxable wages reported
 29 to the controller by all employers as of March 31 with respect to
 30 their employment during the last calendar year.

31 (E) (i) (Deleted by amendment, P.L.1997, c.263).

32 (ii) (Deleted by amendment, P.L.2001, c.152).

33 (iii) (Deleted by amendment, P.L.2003, c.107).

34 (iv) (Deleted by amendment, P.L.2004, c.45).

35 (v) (Deleted by amendment, P.L.2008, c.17).

36 (vi) (Deleted by amendment, P.L.2013, c.75).

37 (vii) With respect to experience rating years beginning on or
 38 after July 1, 2011, the new employer rate or the unemployment
 39 experience rate of an employer under this section shall be the rate
 40 which appears in the column headed by the Unemployment Trust
 41 Fund Reserve Ratio as of the applicable calculation date and on the
 42 line with the Employer Reserve Ratio, as defined in paragraph (4)
 43 of this subsection (R.S.43:21-7 (c)(4)), as set forth in the following
 44 table:

45 EXPERIENCE RATING TAX TABLE

46 Fund Reserve Ratio¹

47	3.50%	3.00%	2.5%	2.0%	1.99%
48 Employer	and	to	to	to	and

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1	Reserve	Over	3.49%	2.99%	2.49%	Under
2	Ratio ²	A	B	C	D	E
3	Positive Reserve Ratio:					
4	17% and over	0.3	0.4	0.5	0.6	1.2
5	16.00% to 16.99%	0.4	0.5	0.6	0.6	1.2
6	15.00% to 15.99%	0.4	0.6	0.7	0.7	1.2
7	14.00% to 14.99%	0.5	0.6	0.7	0.8	1.2
8	13.00% to 13.99%	0.6	0.7	0.8	0.9	1.2
9	12.00% to 12.99%	0.6	0.8	0.9	1.0	1.2
10	11.00% to 11.99%	0.7	0.8	1.0	1.1	1.2
11	10.00% to 10.99%	0.9	1.1	1.3	1.5	1.6
12	9.00% to 9.99%	1.0	1.3	1.6	1.7	1.9
13	8.00% to 8.99%	1.3	1.6	1.9	2.1	2.3
14	7.00% to 7.99%	1.4	1.8	2.2	2.4	2.6
15	6.00% to 6.99%	1.7	2.1	2.5	2.8	3.0
16	5.00% to 5.99%	1.9	2.4	2.8	3.1	3.4
17	4.00% to 4.99%	2.0	2.6	3.1	3.4	3.7
18	3.00% to 3.99%	2.1	2.7	3.2	3.6	3.9
19	2.00% to 2.99%	2.2	2.8	3.3	3.7	4.0
20	1.00% to 1.99%	2.3	2.9	3.4	3.8	4.1
21	0.00% to 0.99%	2.4	3.0	3.6	4.0	4.3
22	Deficit Reserve Ratio:					
23	-0.00% to -2.99%	3.4	4.3	5.1	5.6	6.1
24	-3.00% to -5.99%	3.4	4.3	5.1	5.7	6.2
25	-6.00% to -8.99%	3.5	4.4	5.2	5.8	6.3
26	-9.00% to -11.99%	3.5	4.5	5.3	5.9	6.4
27	-12.00% to -14.99%	3.6	4.6	5.4	6.0	6.5
28	-15.00% to -19.99%	3.6	4.6	5.5	6.1	6.6
29	-20.00% to -24.99%	3.7	4.7	5.6	6.2	6.7
30	-25.00% to -29.99%	3.7	4.8	5.6	6.3	6.8
31	-30.00% to -34.99%	3.8	4.8	5.7	6.3	6.9
32	-35.00% and under	5.4	5.4	5.8	6.4	7.0
33	New Employer Rate	2.8	2.8	2.8	3.1	3.4

34 ¹Fund balance as of March 31 as a percentage of taxable wages
35 in the prior calendar year.

36 ²Employer Reserve Ratio (Contributions minus benefits as a
37 percentage of employer's taxable wages).

38 (F) (i) (Deleted by amendment, P.L.1997, c.263).

39 (ii) (Deleted by amendment, P.L.2008, c.17).

40 (iii) (Deleted by amendment, P.L.2013, c.75).

41 (iv) With respect to experience rating years beginning on or after
42 July 1, 2011 and before July 1, 2013, if the fund reserve ratio, based
43 on the fund balance as of the prior March 31, is less than 1.0%, the
44 contribution rate for each employer liable to pay contributions, as
45 computed under subparagraph (E) of this paragraph (5), shall be
46 increased by a factor of 10% computed to the nearest multiple of
47 1/10% if not already a multiple thereof.

1 (v) With respect to experience rating years beginning on or after
2 July 1, 2014, if the fund reserve ratio, based on the fund balance as
3 of the prior March 31, is less than 1.0%, the contribution rate for
4 each employer liable to pay contributions, as computed under
5 subparagraph (E) of this paragraph (5), shall be increased by a
6 factor of 10% computed to the nearest multiple of 1/10% if not
7 already a multiple thereof.

8 (G) On or after January 1, 1993, notwithstanding any other
9 provisions of this paragraph (5), the contribution rate for each
10 employer liable to pay contributions, as computed under
11 subparagraph (E) of this paragraph (5), shall be decreased by 0.1%,
12 except that, during any experience rating year starting before
13 January 1, 1998 in which the fund reserve ratio is equal to or greater
14 than 7.00% or during any experience rating year starting on or after
15 January 1, 1998, in which the fund reserve ratio is equal to or
16 greater than 3.5%, there shall be no decrease pursuant to this
17 subparagraph (G) in the contribution of any employer who has a
18 deficit reserve ratio of negative 35.00% or under.

19 (H) On and after January 1, 1998 until December 31, 2000 and
20 on or after January 1, 2002 until June 30, 2006, the contribution rate
21 for each employer liable to pay contributions, as computed under
22 subparagraph (E) of this paragraph (5), shall be decreased by a
23 factor, as set out below, computed to the nearest multiple of 1/10%,
24 except that, if an employer has a deficit reserve ratio of negative
25 35.0% or under, the employer's rate of contribution shall not be
26 reduced pursuant to this subparagraph (H) to less than 5.4%:

27 From January 1, 1998 until December 31, 1998, a factor of 12%;
28 From January 1, 1999 until December 31, 1999, a factor of 10%;
29 From January 1, 2000 until December 31, 2000, a factor of 7%;
30 From January 1, 2002 until March 31, 2002, a factor of 36%;
31 From April 1, 2002 until June 30, 2002, a factor of 85%;
32 From July 1, 2002 until June 30, 2003, a factor of 15%;
33 From July 1, 2003 until June 30, 2004, a factor of 15%;
34 From July 1, 2004 until June 30, 2005, a factor of 7%;
35 From July 1, 2005 until December 31, 2005, a factor of 16%; and
36 From January 1, 2006 until June 30, 2006, a factor of 34%.

37 The amount of the reduction in the employer contributions
38 stipulated by this subparagraph (H) shall be in addition to the
39 amount of the reduction in the employer contributions stipulated by
40 subparagraph (G) of this paragraph (5), except that the rate of
41 contribution of an employer who has a deficit reserve ratio of
42 negative 35.0% or under shall not be reduced pursuant to this
43 subparagraph (H) to less than 5.4% and the rate of contribution of
44 any other employer shall not be reduced to less than 0.0%.

45 (I) (Deleted by amendment, P.L.2008, c.17).

46 (J) On or after July 1, 2001, notwithstanding any other
47 provisions of this paragraph (5), the contribution rate for each
48 employer liable to pay contributions, as computed under

1 subparagraph (E) of this paragraph (5), shall be decreased by
2 0.0175%, except that, during any experience rating year starting on
3 or after July 1, 2001, in which the fund reserve ratio is equal to or
4 greater than 3.5%, there shall be no decrease pursuant to this
5 subparagraph (J) in the contribution of any employer who has a
6 deficit reserve ratio of negative 35.00% or under. The amount of the
7 reduction in the employer contributions stipulated by this
8 subparagraph (J) shall be in addition to the amount of the reduction
9 in the employer contributions stipulated by subparagraphs (G) and
10 (H) of this paragraph (5), except that the rate of contribution of an
11 employer who has a deficit reserve ratio of negative 35.0% or under
12 shall not be reduced pursuant to this subparagraph (J) to less than
13 5.4% and the rate of contribution of any other employer shall not be
14 reduced to less than 0.0%.

15 (K) With respect to experience rating years beginning on or after
16 July 1, 2009, if the fund reserve ratio, based on the fund balance as
17 of the prior March 31, is:

18 (i) Equal to or greater than 5.00% but less than 7.5%, the
19 contribution rate for each employer liable to pay contributions, as
20 computed under subparagraph (E) of this paragraph (5), shall be
21 reduced by a factor of 25% computed to the nearest multiple of
22 1/10% if not already a multiple thereof except that there shall be no
23 decrease pursuant to this subparagraph (K) in the contribution of
24 any employer who has a deficit reserve ratio of 35.00% or under;

25 (ii) Equal to or greater than 7.5%, the contribution rate for each
26 employer liable to pay contributions, as computed under
27 subparagraph (E) of this paragraph (5), shall be reduced by a factor
28 of 50% computed to the nearest multiple of 1/10% if not already a
29 multiple thereof except that there shall be no decrease pursuant to
30 this subparagraph (K) in the contribution of any employer who has
31 a deficit reserve ratio of 35.00% or under.

32 (L) Notwithstanding any other provision of this paragraph (5)
33 and notwithstanding the actual fund reserve ratio, the contribution
34 rate for employers liable to pay contributions, as computed under
35 subparagraph (E) of this paragraph (5), shall be, for fiscal year
36 2011, the rates set by column "C" of the table in that subparagraph.

37 (M) Notwithstanding any other provision of this paragraph (5)
38 and notwithstanding the actual fund reserve ratio, the contribution
39 rate for employers liable to pay contributions, as computed under
40 subparagraph (E) of this paragraph (5), shall be, for fiscal year
41 2012, the rates set by column "D" of the table in that subparagraph.

42 (N) Notwithstanding any other provision of this paragraph (5)
43 and notwithstanding the actual fund reserve ratio, the contribution
44 rate for employers liable to pay contributions, as computed under
45 subparagraph (E) of this paragraph (5), shall be, for fiscal year
46 2013, the rates set by column "E" of the table in that subparagraph.

47 (6) Additional contributions.

1 Notwithstanding any other provision of law, any employer who
2 has been assigned a contribution rate pursuant to subsection (c) of
3 this section for the year commencing July 1, 1948, and for any year
4 commencing July 1 thereafter, may voluntarily make payment of
5 additional contributions, and upon such payment shall receive a
6 recomputation of the experience rate applicable to such employer,
7 including in the calculation the additional contribution so made,
8 except that, following a transfer as described under R.S.43:21-
9 7(c)(7)(D), neither the predecessor nor successor in interest shall be
10 eligible to make a voluntary payment of additional contributions
11 during the year the transfer occurs and the next full calendar year.
12 Any such additional contribution shall be made during the 30-day
13 period following the notification to the employer of his contribution
14 rate as prescribed in this section, unless, for good cause, the time
15 for payment has been extended by the controller for not to exceed
16 an additional 60 days; provided that in no event may such payments
17 which are made later than 120 days after the beginning of the year
18 for which such rates are effective be considered in determining the
19 experience rate for the year in which the payment is made. Any
20 employer receiving any extended period of time within which to
21 make such additional payment and failing to make such payment
22 timely shall be, in addition to the required amount of additional
23 payment, liable for a penalty of 5% thereof or \$5.00, whichever is
24 greater, not to exceed \$50.00. Any adjustment under this subsection
25 shall be made only in the form of credits against accrued or future
26 contributions.

27 (7) Transfers.

28 (A) Upon the transfer of the organization, trade or business, or
29 substantially all the assets of an employer to a successor in interest,
30 whether by merger, consolidation, sale, transfer, descent or
31 otherwise, the controller shall transfer the employment experience
32 of the predecessor employer to the successor in interest, including
33 credit for past years, contributions paid, annual payrolls, benefit
34 charges, et cetera, applicable to such predecessor employer,
35 pursuant to regulation, if it is determined that the employment
36 experience of the predecessor employer with respect to the
37 organization, trade, assets or business which has been transferred
38 may be considered indicative of the future employment experience
39 of the successor in interest. The successor in interest may, within
40 four months of the date of such transfer of the organization, trade,
41 assets or business, or thereafter upon good cause shown, request a
42 reconsideration of the transfer of employment experience of the
43 predecessor employer. The request for reconsideration shall
44 demonstrate, to the satisfaction of the controller, that the
45 employment experience of the predecessor is not indicative of the
46 future employment experience of the successor.

47 (B) An employer who transfers part of his or its organization,
48 trade, assets or business to a successor in interest, whether by

1 merger, consolidation, sale, transfer, descent or otherwise, may
2 jointly make application with such successor in interest for transfer
3 of that portion of the employment experience of the predecessor
4 employer relating to the portion of the organization, trade, assets or
5 business transferred to the successor in interest, including credit for
6 past years, contributions paid, annual payrolls, benefit charges, et
7 cetera, applicable to such predecessor employer. The transfer of
8 employment experience may be allowed pursuant to regulation only
9 if it is found that the employment experience of the predecessor
10 employer with respect to the portion of the organization, trade,
11 assets or business which has been transferred may be considered
12 indicative of the future employment experience of the successor in
13 interest. Credit shall be given to the successor in interest only for
14 the years during which contributions were paid by the predecessor
15 employer with respect to that part of the organization, trade, assets
16 or business transferred.

17 (C) A transfer of the employment experience in whole or in part
18 having become final, the predecessor employer thereafter shall not
19 be entitled to consideration for an adjusted rate based upon his or its
20 experience or the part thereof, as the case may be, which has thus
21 been transferred. A successor in interest to whom employment
22 experience or a part thereof is transferred pursuant to this
23 subsection shall, as of the date of the transfer of the organization,
24 trade, assets or business, or part thereof, immediately become an
25 employer if not theretofore an employer subject to this chapter
26 (R.S.43:21-1 et seq.).

27 (D) If an employer transfers in whole or in part his or its
28 organization, trade, assets or business to a successor in interest,
29 whether by merger, consolidation, sale, transfer, descent or
30 otherwise and both the employer and successor in interest are at the
31 time of the transfer under common ownership, management or
32 control, then the employment experience attributable to the
33 transferred business shall also be transferred to and combined with
34 the employment experience of the successor in interest. The
35 transfer of the employment experience is mandatory and not subject
36 to appeal or protest.

37 (E) The transfer of part of an employer's employment experience
38 to a successor in interest shall become effective as of the first day of
39 the calendar quarter following the acquisition by the successor in
40 interest. As of the effective date, the successor in interest shall
41 have its employer rate recalculated by merging its existing
42 employment experience, if any, with the employment experience
43 acquired. If the successor in interest is not an employer as of the
44 date of acquisition, it shall be assigned the new employer rate until
45 the effective date of the transfer of employment experience.

46 (F) Upon the transfer in whole or in part of the organization,
47 trade, assets or business to a successor in interest, the employment
48 experience shall not be transferred if the successor in interest is not

1 an employer at the time of the acquisition and the controller finds
2 that the successor in interest acquired the business solely or
3 primarily for the purpose of obtaining a lower rate of contributions.

4 (d) Contributions of workers to the unemployment
5 compensation fund and the State disability benefits fund.

6 (1) (A) For periods after January 1, 1975, each worker shall
7 contribute to the fund 1% of his wages with respect to his
8 employment with an employer, which occurs on and after January
9 1, 1975, after such employer has satisfied the condition set forth in
10 subsection (h) of R.S.43:21-19 with respect to becoming an
11 employer; provided, however, that such contributions shall be at the
12 rate of 1/2 of 1% of wages paid with respect to employment while
13 the worker is in the employ of the State of New Jersey, or any
14 governmental entity or instrumentality which is an employer as
15 defined under R.S.43:21-19(h)(5), or is covered by an approved
16 private plan under the "Temporary Disability Benefits Law" or
17 while the worker is exempt from the provisions of the "Temporary
18 Disability Benefits Law" under section 7 of that law, P.L.1948,
19 c.110 (C.43:21-31).

20 (B) Effective January 1, 1978 there shall be no contributions by
21 workers in the employ of any governmental or nongovernmental
22 employer electing or required to make payments in lieu of
23 contributions unless the employer is covered by the State plan under
24 the "Temporary Disability Benefits Law" (C.43:21-25 et al.), and in
25 that case contributions shall be at the rate of 1/2 of 1%, except that
26 commencing July 1, 1986, workers in the employ of any
27 nongovernmental employer electing or required to make payments
28 in lieu of contributions shall be required to make contributions to
29 the fund at the same rate prescribed for workers of other
30 nongovernmental employers.

31 (C) (i) Notwithstanding the above provisions of this paragraph
32 (1), during the period starting July 1, 1986 and ending December
33 31, 1992, each worker shall contribute to the fund 1.125% of wages
34 paid with respect to his employment with a governmental employer
35 electing or required to pay contributions or nongovernmental
36 employer, including a nonprofit organization which is an employer
37 as defined under R.S.43:21-19(h)(6), regardless of whether that
38 nonprofit organization elects or is required to finance its benefit
39 costs with contributions to the fund or by payments in lieu of
40 contributions, after that employer has satisfied the conditions set
41 forth in subsection R.S.43:21-19(h) with respect to becoming an
42 employer. Contributions, however, shall be at the rate of 0.625%
43 while the worker is covered by an approved private plan under the
44 "Temporary Disability Benefits Law" or while the worker is exempt
45 under section 7 of that law, P.L.1948, c.110 (C.43:21-31) or any
46 other provision of that law; provided that such contributions shall
47 be at the rate of 0.625% of wages paid with respect to employment
48 with the State of New Jersey or any other governmental entity or

1 instrumentality electing or required to make payments in lieu of
2 contributions and which is covered by the State plan under the
3 "Temporary Disability Benefits Law," except that, while the worker
4 is exempt from the provisions of the "Temporary Disability Benefits
5 Law" under section 7 of that law, P.L.1948, c.110 (C.43:21-31) or
6 any other provision of that law, or is covered for disability benefits
7 by an approved private plan of the employer, the contributions to
8 the fund shall be 0.125%.

9 (ii) (Deleted by amendment, P.L.1995, c.422.)

10 (D) Notwithstanding any other provisions of this paragraph (1),
11 during the period starting January 1, 1993 and ending June 30,
12 1994, each worker shall contribute to the unemployment
13 compensation fund 0.5% of wages paid with respect to the worker's
14 employment with a governmental employer electing or required to
15 pay contributions or nongovernmental employer, including a
16 nonprofit organization which is an employer as defined under
17 paragraph (6) of subsection (h) of R.S.43:21-19, regardless of
18 whether that nonprofit organization elects or is required to finance
19 its benefit costs with contributions to the fund or by payments in
20 lieu of contributions, after that employer has satisfied the conditions
21 set forth in subsection (h) of R.S.43:21-19 with respect to becoming
22 an employer. No contributions, however, shall be made by the
23 worker while the worker is covered by an approved private plan
24 under the "Temporary Disability Benefits Law," P.L.1948,
25 c.110 (C.43:21-25 et al.) or while the worker is exempt under
26 section 7 of P.L.1948, c.110 (C.43:21-31) or any other provision of
27 that law; provided that the contributions shall be at the rate of
28 0.50% of wages paid with respect to employment with the State of
29 New Jersey or any other governmental entity or instrumentality
30 electing or required to make payments in lieu of contributions and
31 which is covered by the State plan under the "Temporary Disability
32 Benefits Law," except that, while the worker is exempt from the
33 provisions of the "Temporary Disability Benefits Law" under
34 section 7 of that law, P.L.1948, c.110 (C.43:21-31) or any other
35 provision of that law, or is covered for disability benefits by an
36 approved private plan of the employer, no contributions shall be
37 made to the fund.

38 Each worker shall, starting on January 1, 1996 and ending March
39 31, 1996, contribute to the unemployment compensation fund
40 0.60% of wages paid with respect to the worker's employment with
41 a governmental employer electing or required to pay contributions
42 or nongovernmental employer, including a nonprofit organization
43 which is an employer as defined under paragraph (6) of subsection
44 (h) of R.S.43:21-19, regardless of whether that nonprofit
45 organization elects or is required to finance its benefit costs with
46 contributions to the fund or by payments in lieu of contributions,
47 after that employer has satisfied the conditions set forth in
48 subsection (h) of R.S.43:21-19 with respect to becoming an

1 employer, provided that the contributions shall be at the rate of
2 0.10% of wages paid with respect to employment with the State of
3 New Jersey or any other governmental entity or instrumentality
4 electing or required to make payments in lieu of contributions.

5 Each worker shall, starting on January 1, 1998 and ending
6 December 31, 1998, contribute to the unemployment compensation
7 fund 0.10% of wages paid with respect to the worker's employment
8 with a governmental employer electing or required to pay
9 contributions or nongovernmental employer, including a nonprofit
10 organization which is an employer as defined under paragraph (6)
11 of subsection (h) of R.S.43:21-19, regardless of whether that
12 nonprofit organization elects or is required to finance its benefit
13 costs with contributions to the fund or by payments in lieu of
14 contributions, after that employer has satisfied the conditions set
15 forth in subsection (h) of R.S.43:21-19 with respect to becoming an
16 employer, provided that the contributions shall be at the rate of
17 0.10% of wages paid with respect to employment with the State of
18 New Jersey or any other governmental entity or instrumentality
19 electing or required to make payments in lieu of contributions.

20 Each worker shall, starting on January 1, 1999 until December
21 31, 1999, contribute to the unemployment compensation fund
22 0.15% of wages paid with respect to the worker's employment with
23 a governmental employer electing or required to pay contributions
24 or nongovernmental employer, including a nonprofit organization
25 which is an employer as defined under paragraph (6) of subsection
26 (h) of R.S.43:21-19, regardless of whether that nonprofit
27 organization elects or is required to finance its benefit costs with
28 contributions to the fund or by payments in lieu of contributions,
29 after that employer has satisfied the conditions set forth in
30 subsection (h) of R.S.43:21-19 with respect to becoming an
31 employer, provided that the contributions shall be at the rate of
32 0.10% of wages paid with respect to employment with the State of
33 New Jersey or any other governmental entity or instrumentality
34 electing or required to make payments in lieu of contributions.

35 Each worker shall, starting on January 1, 2000 until December
36 31, 2001, contribute to the unemployment compensation fund
37 0.20% of wages paid with respect to the worker's employment with
38 a governmental employer electing or required to pay contributions
39 or nongovernmental employer, including a nonprofit organization
40 which is an employer as defined under paragraph (6) of subsection
41 (h) of R.S.43:21-19, regardless of whether that nonprofit
42 organization elects or is required to finance its benefit costs with
43 contributions to the fund or by payments in lieu of contributions,
44 after that employer has satisfied the conditions set forth in
45 subsection (h) of R.S.43:21-19 with respect to becoming an
46 employer, provided that the contributions shall be at the rate of
47 0.10% of wages paid with respect to employment with the State of

1 New Jersey or any other governmental entity or instrumentality
2 electing or required to make payments in lieu of contributions.

3 Each worker shall, starting on January 1, 2002 until June 30,
4 2004, contribute to the unemployment compensation fund 0.1825%
5 of wages paid with respect to the worker's employment with a
6 governmental employer electing or required to pay contributions or
7 a nongovernmental employer, including a nonprofit organization
8 which is an employer as defined under paragraph (6) of subsection
9 (h) of R.S.43:21-19, regardless of whether that nonprofit
10 organization elects or is required to finance its benefit costs with
11 contributions to the fund or by payments in lieu of contributions,
12 after that employer has satisfied the conditions set forth in
13 subsection (h) of R.S.43:21-19 with respect to becoming an
14 employer, provided that the contributions shall be at the rate of
15 0.0825% of wages paid with respect to employment with the State
16 of New Jersey or any other governmental entity or instrumentality
17 electing or required to make payments in lieu of contributions.

18 Each worker shall, starting on and after July 1, 2004, contribute
19 to the unemployment compensation fund 0.3825% of wages paid
20 with respect to the worker's employment with a governmental
21 employer electing or required to pay contributions or
22 nongovernmental employer, including a nonprofit organization
23 which is an employer as defined under paragraph (6) of subsection
24 (h) of R.S.43:21-19, regardless of whether that nonprofit
25 organization elects or is required to finance its benefit costs with
26 contributions to the fund or by payments in lieu of contributions,
27 after that employer has satisfied the conditions set forth in
28 subsection (h) of R.S.43:21-19 with respect to becoming an
29 employer, provided that the contributions shall be at the rate of
30 0.0825% of wages paid with respect to employment with the State
31 of New Jersey or any other governmental entity or instrumentality
32 electing or required to make payments in lieu of contributions.

33 (E) Each employer shall, notwithstanding any provision of law
34 in this State to the contrary, withhold in trust the amount of his
35 workers' contributions from their wages at the time such wages are
36 paid, shall show such deduction on his payroll records, shall furnish
37 such evidence thereof to his workers as the division or controller
38 may prescribe, and shall transmit all such contributions, in addition
39 to his own contributions, to the office of the controller in such
40 manner and at such times as may be prescribed. If any employer
41 fails to deduct the contributions of any of his workers at the time
42 their wages are paid, or fails to make a deduction therefor at the
43 time wages are paid for the next succeeding payroll period, he alone
44 shall thereafter be liable for such contributions, and for the purpose
45 of R.S.43:21-14, such contributions shall be treated as employer's
46 contributions required from him.

1 (F) As used in this chapter (R.S.43:21-1 et seq.), except when
2 the context clearly requires otherwise, the term "contributions" shall
3 include the contributions of workers pursuant to this section.

4 (G) (i) Each worker shall, starting on July 1, 1994 and ending on
5 December 31, 2011, contribute to the State disability benefits fund
6 an amount equal to 0.50% of wages paid with respect to the
7 worker's employment with a government employer electing or
8 required to pay contributions to the State disability benefits fund or
9 nongovernmental employer, including a nonprofit organization
10 which is an employer as defined under paragraph (6) of subsection
11 (h) of R.S.43:21-19, unless the employer is covered by an approved
12 private disability plan or is exempt from the provisions of the
13 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25
14 et al.) under section 7 of that law (C.43:21-31) or any other
15 provision of that law. Each worker, with respect to the worker's
16 employment with a government employer electing or required to
17 pay contributions to the State disability benefits fund or
18 nongovernmental employer, including a nonprofit organization
19 which is an employer as defined under paragraph (6) of subsection
20 (h) of R.S.43:21-19, unless the employer is covered by an approved
21 private disability plan or is exempt from the provisions of the
22 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25
23 et al.) under section 7 of that law (C.43:21-31) or any other
24 provision of that law, shall, for calendar year 2012 and each
25 subsequent calendar year, make contributions to the State disability
26 benefits fund at the annual rate of contribution necessary to obtain a
27 total amount of contributions, which, when added to employer
28 contributions made to the State disability benefits fund pursuant to
29 subsection (e) of this section, is, for calendar years prior to calendar
30 year 2018, equal to 120% of the benefits paid for periods of
31 disability, excluding periods of family temporary disability, during
32 the immediately preceding calendar year plus an amount equal to
33 100% of the cost of administration of the payment of those benefits
34 during the immediately preceding calendar year, less the amount of
35 net assets remaining in the State disability benefits fund, excluding
36 net assets remaining in the "Family Temporary Disability Leave
37 Account" of that fund, as of December 31 of the immediately
38 preceding year, and is, for calendar year 2018 and subsequent
39 calendar years, equal to 120% of the benefits paid for periods of
40 disability, excluding periods of family temporary disability, during
41 the last preceding full fiscal year plus an amount equal to 100% of
42 the cost of administration of the payment of those benefits during
43 the last preceding full fiscal year, less the amount of net assets
44 anticipated to be remaining in the "Family Temporary Disability
45 Leave Account" of that fund, as of December 31 of the immediately
46 preceding calendar year. The estimated rates for the next calendar
47 year shall be made available on the department's website no later
48 than 60 days after the end of the last preceding full fiscal year. The

1 rates of employer contributions determined pursuant to subsection
2 (e) of this section for any year shall be determined prior to the
3 determination of the rate of employee contributions pursuant to this
4 subparagraph (i) and any consideration of employee contributions in
5 determining employer rates for any year shall be based on amounts
6 of employee contributions made prior to the year to which the rate
7 of employee contributions applies and shall not be based on any
8 projection or estimate of the amount of employee contributions for
9 the year to which that rate applies.

10 (ii) Each worker shall contribute to the State disability benefits
11 fund, in addition to any amount contributed pursuant to
12 subparagraph (i) of this paragraph (1)(G), an amount equal to,
13 during calendar year 2009, 0.09%, and during calendar year 2010
14 0.12%, of wages paid with respect to the worker's employment with
15 any covered employer, including a governmental employer which is
16 an employer as defined under R.S.43:21-19(h)(5), unless the
17 employer is covered by an approved private disability plan for
18 benefits during periods of family temporary disability leave. The
19 contributions made pursuant to this subparagraph (ii) to the State
20 disability benefits fund shall be deposited into an account of that
21 fund reserved for the payment of benefits during periods of family
22 temporary disability leave as defined in section 3 of the "Temporary
23 Disability Benefits Law," P.L.1948, c.110 (C.43:21-27) and for the
24 administration of those payments and shall not be used for any other
25 purpose. This account shall be known as the "Family Temporary
26 Disability Leave Account." For calendar year 2011 and each
27 subsequent calendar year, the annual rate of contribution to be paid
28 by workers pursuant to this subparagraph (ii) shall be, for calendar
29 years prior to calendar year 2018, the rate necessary to obtain a total
30 amount of contributions equal to 125% of the benefits paid for
31 periods of family temporary disability leave during the immediately
32 preceding calendar year plus an amount equal to 100% of the cost
33 of administration of the payment of those benefits during the
34 immediately preceding calendar year, less the amount of net assets
35 remaining in the account as of December 31 of the immediately
36 preceding year, and shall be, for calendar year 2018 and subsequent
37 calendar years, the rate necessary to obtain a total amount of
38 contributions equal to 125% of the benefits paid for periods of
39 family temporary disability leave during the last preceding full
40 fiscal year plus an amount equal to 100% of the cost of
41 administration of the payment of those benefits during the last
42 preceding full fiscal year, less the amount of net assets anticipated
43 to be remaining in the account as of December 31 of the
44 immediately preceding calendar year. The estimated rates for the
45 next calendar year shall be made available on the department's
46 website no later than 60 days after the end of the last preceding full
47 fiscal year. Necessary administrative costs shall include the cost of
48 an outreach program to inform employees of the availability of the

1 benefits and the cost of issuing the reports required or permitted
2 pursuant to section 13 of P.L.2008, c.17 (C.43:21-39.4). No
3 monies, other than the funds in the "Family Temporary Disability
4 Leave Account," shall be used for the payment of benefits during
5 periods of family temporary disability leave or for the
6 administration of those payments, with the sole exception that,
7 during calendar years 2008 and 2009, a total amount not exceeding
8 \$25 million may be transferred to that account from the revenues
9 received in the State disability benefits fund pursuant to
10 subparagraph (i) of this paragraph (1)(G) and be expended for those
11 payments and their administration, including the administration of
12 the collection of contributions made pursuant to this subparagraph
13 (ii) and any other necessary administrative costs. Any amount
14 transferred to the account pursuant to this subparagraph (ii) shall be
15 repaid during a period beginning not later than January 1, 2011 and
16 ending not later than December 31, 2015. No monies, other than the
17 funds in the "Family Temporary Disability Leave Account," shall
18 be used under any circumstances after December 31, 2009, for the
19 payment of benefits during periods of family temporary disability
20 leave or for the administration of those payments, including for the
21 administration of the collection of contributions made pursuant to
22 this subparagraph (ii).

23 (2) (A) (Deleted by amendment, P.L.1984, c.24.)

24 (B) (Deleted by amendment, P.L.1984, c.24.)

25 (C) (Deleted by amendment, P.L.1994, c.112.)

26 (D) (Deleted by amendment, P.L.1994, c.112.)

27 (E) (i) (Deleted by amendment, P.L.1994, c.112.)

28 (ii) (Deleted by amendment, P.L.1996, c.28.)

29 (iii) (Deleted by amendment, P.L.1994, c.112.)

30 (3) (A) If an employee receives wages from more than one
31 employer during any calendar year, and either the sum of his
32 contributions deposited in and credited to the State disability
33 benefits fund plus the amount of his contributions, if any, required
34 towards the costs of benefits under one or more approved private
35 plans under the provisions of section 9 of the "Temporary Disability
36 Benefits Law" (C.43:21-33) and deducted from his wages, or the
37 sum of such latter contributions, if the employee is covered during
38 such calendar year only by two or more private plans, exceeds an
39 amount equal to 1/2 of 1% of the "wages" determined in accordance
40 with the provisions of R.S.43:21-7(b)(3) during the calendar years
41 beginning on or after January 1, 1976 or, during calendar year 2012
42 or any subsequent calendar year, the total amount of his
43 contributions for the year exceeds the amount set by the annual rate
44 of contribution determined by the Commissioner of Labor and
45 Workforce Development pursuant to subparagraph (i) of paragraph
46 (1)(G) of this subsection (d), the employee shall be entitled to a
47 refund of the excess if he makes a claim to the controller within two
48 years after the end of the calendar year in which the wages are

1 received with respect to which the refund is claimed and establishes
2 his right to such refund. Such refund shall be made by the controller
3 from the State disability benefits fund. No interest shall be allowed
4 or paid with respect to any such refund. The controller shall, in
5 accordance with prescribed regulations, determine the portion of the
6 aggregate amount of such refunds made during any calendar year
7 which is applicable to private plans for which deductions were
8 made under section 9 of the "Temporary Disability Benefits Law"
9 (C.43:21-33) such determination to be based upon the ratio of the
10 amount of such wages exempt from contributions to such fund, as
11 provided in subparagraph (B) of paragraph (1) of this subsection
12 with respect to coverage under private plans, to the total wages so
13 exempt plus the amount of such wages subject to contributions to
14 the disability benefits fund, as provided in subparagraph (G) of
15 paragraph (1) of this subsection. The controller shall, in accordance
16 with prescribed regulations, prorate the amount so determined
17 among the applicable private plans in the proportion that the wages
18 covered by each plan bear to the total private plan wages involved
19 in such refunds, and shall assess against and recover from the
20 employer, or the insurer if the insurer has indemnified the employer
21 with respect thereto, the amount so prorated. The provisions of
22 R.S.43:21-14 with respect to collection of employer contributions
23 shall apply to such assessments. The amount so recovered by the
24 controller shall be paid into the State disability benefits fund.

25 (B) If an employee receives wages from more than one employer
26 during any calendar year, and the sum of his contributions deposited
27 in the "Family Temporary Disability Leave Account" of the State
28 disability benefits fund plus the amount of his contributions, if any,
29 required towards the costs of family temporary disability leave
30 benefits under one or more approved private plans under the
31 provisions of the "Temporary Disability Benefits Law" (C.43:21-25
32 et al.) and deducted from his wages, exceeds an amount equal to,
33 during calendar year 2009, 0.09% of the "wages" determined in
34 accordance with the provisions of R.S.43:21-7(b)(3), or during
35 calendar year 2010, 0.12% of those wages, or, during calendar year
36 2011 or any subsequent calendar year, the percentage of those
37 wages set by the annual rate of contribution determined by the
38 Commissioner of Labor and Workforce Development pursuant to
39 subparagraph (ii) of paragraph (1)(G) of this subsection (d), the
40 employee shall be entitled to a refund of the excess if he makes a
41 claim to the controller within two years after the end of the calendar
42 year in which the wages are received with respect to which the
43 refund is claimed and establishes his right to the refund. The refund
44 shall be made by the controller from the "Family Temporary
45 Disability Leave Account" of the State disability benefits fund. No
46 interest shall be allowed or paid with respect to any such refund.
47 The controller shall, in accordance with prescribed regulations,
48 determine the portion of the aggregate amount of the refunds made

1 during any calendar year which is applicable to private plans for
2 which deductions were made under section 9 of the "Temporary
3 Disability Benefits Law" (C.43:21-33), with that determination
4 based upon the ratio of the amount of such wages exempt from
5 contributions to the fund, as provided in paragraph (1)(B) of this
6 subsection (d) with respect to coverage under private plans, to the
7 total wages so exempt plus the amount of such wages subject to
8 contributions to the "Family Temporary Disability Leave Account"
9 of the State disability benefits fund, as provided in subparagraph (ii)
10 of paragraph (1)(G) of this subsection (d). The controller shall, in
11 accordance with prescribed regulations, prorate the amount so
12 determined among the applicable private plans in the proportion
13 that the wages covered by each plan bear to the total private plan
14 wages involved in such refunds, and shall assess against and
15 recover from the employer, or the insurer if the insurer has
16 indemnified the employer with respect thereto, the prorated amount.
17 The provisions of R.S.43:21-14 with respect to collection of
18 employer contributions shall apply to such assessments. The
19 amount so recovered by the controller shall be paid into the "Family
20 Temporary Disability Leave Account" of the State disability
21 benefits fund.

22 (4) If an individual does not receive any wages from the
23 employing unit which for the purposes of this chapter (R.S.43:21-1
24 et seq.) is treated as his employer, or receives his wages from some
25 other employing unit, such employer shall nevertheless be liable for
26 such individual's contributions in the first instance; and after
27 payment thereof such employer may deduct the amount of such
28 contributions from any sums payable by him to such employing
29 unit, or may recover the amount of such contributions from such
30 employing unit, or, in the absence of such an employing unit, from
31 such individual, in a civil action; provided proceedings therefor are
32 instituted within three months after the date on which such
33 contributions are payable. General rules shall be prescribed
34 whereby such an employing unit may recover the amount of such
35 contributions from such individuals in the same manner as if it were
36 the employer.

37 (5) Every employer who has elected to become an employer
38 subject to this chapter (R.S.43:21-1 et seq.), or to cease to be an
39 employer subject to this chapter (R.S.43:21-1 et seq.), pursuant to
40 the provisions of R.S.43:21-8, shall post and maintain printed
41 notices of such election on his premises, of such design, in such
42 numbers, and at such places as the director may determine to be
43 necessary to give notice thereof to persons in his service.

44 (6) Contributions by workers, payable to the controller as herein
45 provided, shall be exempt from garnishment, attachment, execution,
46 or any other remedy for the collection of debts.

47 (e) Contributions by employers to the State disability benefits
48 fund.

1 (1) Except as hereinafter provided, each employer shall, in
2 addition to the contributions required by subsections (a), (b), and
3 (c) of this section, contribute 1/2 of 1% of the wages paid by such
4 employer to workers with respect to employment unless he is not a
5 covered employer as defined in subsection (a) of section 3 of the
6 "Temporary Disability Benefits Law" (C.43:21-27 (a)), except that
7 the rate for the State of New Jersey shall be 1/10 of 1% for the
8 calendar year 1980 and for the first six months of 1981. Prior to
9 July 1, 1981 and prior to July 1 each year thereafter, the controller
10 shall review the experience accumulated in the account of the State
11 of New Jersey and establish a rate for the next following fiscal year
12 which, in combination with worker contributions, will produce
13 sufficient revenue to keep the account in balance; except that the
14 rate so established shall not be less than 1/10 of 1%. Such
15 contributions shall become due and be paid by the employer to the
16 controller for the State disability benefits fund as established by
17 law, in accordance with such regulations as may be prescribed, and
18 shall not be deducted, in whole or in part, from the remuneration of
19 individuals in his employ. In the payment of any contributions, a
20 fractional part of a cent shall be disregarded unless it amounts to
21 \$0.005 or more, in which case it shall be increased to \$0.01.

22 (2) During the continuance of coverage of a worker by an
23 approved private plan of disability benefits under the "Temporary
24 Disability Benefits Law," the employer shall be exempt from the
25 contributions required by paragraph (1) above with respect to wages
26 paid to such worker.

27 (3) (A) The rates of contribution as specified in paragraph (1)
28 above shall be subject to modification as provided herein with
29 respect to employer contributions due on and after July 1, 1951.

30 (B) A separate disability benefits account shall be maintained for
31 each employer required to contribute to the State disability benefits
32 fund and such account shall be credited with contributions
33 deposited in and credited to such fund with respect to employment
34 occurring on and after January 1, 1949. Each employer's account
35 shall be credited with all contributions paid on or before January 31
36 of any calendar year on his own behalf and on behalf of individuals
37 in his service with respect to employment occurring in preceding
38 calendar years; provided, however, that if January 31 of any
39 calendar year falls on a Saturday or Sunday an employer's account
40 shall be credited as of January 31 of such calendar year with all the
41 contributions which he has paid on or before the next succeeding
42 day which is not a Saturday or Sunday. But nothing in this act shall
43 be construed to grant any employer or individuals in his service
44 prior claims or rights to the amounts paid by him to the fund either
45 on his own behalf or on behalf of such individuals. Benefits paid to
46 any covered individual in accordance with Article III of the
47 "Temporary Disability Benefits Law" on or before December 31 of
48 any calendar year with respect to disability in such calendar year

1 and in preceding calendar years shall be charged against the account
2 of the employer by whom such individual was employed at the
3 commencement of such disability or by whom he was last
4 employed, if out of employment.

5 (C) The controller may prescribe regulations for the
6 establishment, maintenance, and dissolution of joint accounts by
7 two or more employers, and shall, in accordance with such
8 regulations and upon application by two or more employers to
9 establish such an account, or to merge their several individual
10 accounts in a joint account, maintain such joint account as if it
11 constituted a single employer's account.

12 (D) Prior to July 1 of each calendar year, the controller shall
13 make a preliminary determination of the rate of contribution for the
14 12 months commencing on such July 1 for each employer subject to
15 the contribution requirements of this subsection (e).

16 (1) Such preliminary rate shall be $\frac{1}{2}$ of 1% unless on the
17 preceding January 31 of such year such employer shall have been a
18 covered employer who has paid contributions to the State disability
19 benefits fund with respect to employment in the three calendar
20 years immediately preceding such year.

21 (2) If the minimum requirements in subparagraph (D) (1) above
22 have been fulfilled and the credited contributions exceed the
23 benefits charged by more than \$500.00, such preliminary rate shall
24 be as follows:

25 (i) $\frac{2}{10}$ of 1% if such excess over \$500.00 exceeds 1% but is
26 less than $1\frac{1}{4}$ % of his average annual payroll as defined in this
27 chapter (R.S.43:21-1 et seq.);

28 (ii) $\frac{15}{100}$ of 1% if such excess over \$500.00 equals or exceeds
29 $1\frac{1}{4}$ % but is less than $1\frac{1}{2}$ % of his average annual payroll;

30 (iii) $\frac{1}{10}$ of 1% if such excess over \$500.00 equals or exceeds $\frac{1}{2}$
31 $\frac{1}{2}$ % of his average annual payroll.

32 (3) If the minimum requirements in subparagraph (D) (1) above
33 have been fulfilled and the contributions credited exceed the
34 benefits charged but by not more than \$500.00 plus 1% of his
35 average annual payroll, or if the benefits charged exceed the
36 contributions credited but by not more than \$500.00, the
37 preliminary rate shall be $\frac{1}{4}$ of 1%.

38 (4) If the minimum requirements in subparagraph (D) (1) above
39 have been fulfilled and the benefits charged exceed the
40 contributions credited by more than \$500.00, such preliminary rate
41 shall be as follows:

42 (i) $\frac{35}{100}$ of 1% if such excess over \$500.00 is less than $\frac{1}{4}$ of
43 1% of his average annual payroll;

44 (ii) $\frac{45}{100}$ of 1% if such excess over \$500.00 equals or exceeds
45 $\frac{1}{4}$ of 1% but is less than $\frac{1}{2}$ of 1% of his average annual payroll;

46 (iii) $\frac{55}{100}$ of 1% if such excess over \$500.00 equals or exceeds
47 $\frac{1}{2}$ of 1% but is less than $\frac{3}{4}$ of 1% of his average annual payroll;

1 (iv) 65/100 of 1% if such excess over \$500.00 equals or exceeds
2 3/4 of 1% but is less than 1% of his average annual payroll;

3 (v) 75/100 of 1% if such excess over \$500.00 equals or exceeds
4 1% of his average annual payroll.

5 (5) Determination of the preliminary rate as specified in
6 subparagraphs (D)(2), (3) and (4) above shall be subject, however,
7 to the condition that it shall in no event be decreased by more than
8 1/10 of 1% of wages or increased by more than 2/10 of 1% of
9 wages from the preliminary rate determined for the preceding year
10 in accordance with subparagraph (D) (1), (2), (3) or (4), whichever
11 shall have been applicable.

12 (E) (1) Prior to July 1 of each calendar year the controller shall
13 determine the amount of the State disability benefits fund as of
14 December 31 of the preceding calendar year, increased by the
15 contributions paid thereto during January of the current calendar
16 year with respect to employment occurring in the preceding
17 calendar year. If such amount exceeds the net amount withdrawn
18 from the unemployment trust fund pursuant to section 23 of the
19 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-47)
20 plus the amount at the end of such preceding calendar year of the
21 unemployment disability account as defined in section 22 of said
22 law (C.43:21-46), such excess shall be expressed as a percentage of
23 the wages on which contributions were paid to the State disability
24 benefits fund on or before January 31 with respect to employment
25 in the preceding calendar year.

26 (2) The controller shall then make a final determination of the
27 rates of contribution for the 12 months commencing July 1 of such
28 year for employers whose preliminary rates are determined as
29 provided in subparagraph (D) hereof, as follows:

30 (i) If the percentage determined in accordance with
31 subparagraph (E)(1) of this paragraph equals or exceeds 1 1/4%, the
32 final employer rates shall be the preliminary rates determined as
33 provided in subparagraph (D) hereof, except that if the employer's
34 preliminary rate is determined as provided in subparagraph (D)(2)
35 or subparagraph (D)(3) hereof, the final employer rate shall be the
36 preliminary employer rate decreased by such percentage of excess
37 taken to the nearest 5/100 of 1%, but in no case shall such final rate
38 be less than 1/10 of 1%.

39 (ii) If the percentage determined in accordance with
40 subparagraph (E)(1) of this paragraph equals or exceeds 3/4 of 1%
41 and is less than 1 1/4 of 1%, the final employer rates shall be the
42 preliminary employer rates.

43 (iii) If the percentage determined in accordance with
44 subparagraph (E)(1) of this paragraph is less than 3/4 of 1%, but in
45 excess of 1/4 of 1%, the final employer rates shall be the
46 preliminary employer rates determined as provided in subparagraph
47 (D) hereof increased by the difference between 3/4 of 1% and such
48 percentage taken to the nearest 5/100 of 1%; provided, however,

1 that no such final rate shall be more than 1/4 of 1% in the case of an
2 employer whose preliminary rate is determined as provided in
3 subparagraph (D)(2) hereof, more than 1/2 of 1% in the case of an
4 employer whose preliminary rate is determined as provided in
5 subparagraph (D)(1) and subparagraph (D)(3) hereof, nor more than
6 3/4 of 1% in the case of an employer whose preliminary rate is
7 determined as provided in subparagraph (D)(4) hereof.

8 (iv) If the amount of the State disability benefits fund determined
9 as provided in subparagraph (E)(1) of this paragraph is equal to or
10 less than 1/4 of 1%, then the final rate shall be 2/5 of 1% in the case
11 of an employer whose preliminary rate is determined as provided in
12 subparagraph (D)(2) hereof, 7/10 of 1% in the case of an employer
13 whose preliminary rate is determined as provided in subparagraph
14 (D)(1) and subparagraph (D)(3) hereof, and 1.1% in the case of an
15 employer whose preliminary rate is determined as provided in
16 subparagraph (D)(4) hereof. Notwithstanding any other provision of
17 law or any determination made by the controller with respect to any
18 12-month period commencing on July 1, 1970, the final rates for all
19 employers for the period beginning January 1, 1971, shall be as set
20 forth herein.

21 (F) Notwithstanding any other provisions of this subsection (e),
22 the rate of contribution paid to the State disability benefits fund by
23 each covered employer as defined in paragraph (1) of subsection (a)
24 of section 3 of P.L.1948, c.110 (C.43:21-27), shall be determined as
25 if:

26 (i) No disability benefits have been paid with respect to periods
27 of family temporary disability leave;

28 (ii) No worker paid any contributions to the State disability
29 benefits fund pursuant to paragraph (1)(G)(ii) of subsection (d) of
30 this section; and

31 (iii) No amounts were transferred from the State disability
32 benefits fund to the "Family Temporary Disability Leave Account"
33 pursuant to paragraph (1)(G)(ii) of subsection (d) of this section.

34 (cf: P.L.2013, c.75, s.1)

35
36 2. This act shall take effect immediately.
37
38

39 STATEMENT

40
41 This bill, with respect to taxes paid by employees to the State
42 disability benefits fund and the "Family Temporary Disability
43 Leave Account" of that fund pursuant to the "Temporary Disability
44 Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.) and P.L.2008,
45 c.17 (C.43:21-39.1 et al.), changes the year for which total benefit
46 and administrative costs used to calculate the taxes from the most
47 recent calendar year to the most recent fiscal year, commencing
48 with the taxes paid by employees in calendar year 2018.

1
2
3
4

Changes year used to calculate TDI and FLI employee taxes
from most recent calendar year to most recent fiscal year.

SENATE, No. 3176

STATE OF NEW JERSEY 217th LEGISLATURE

INTRODUCED MAY 15, 2017

Sponsored by:

Senator FRED H. MADDEN, JR.

District 4 (Camden and Gloucester)

Assemblyman RAJ MUKHERJI

District 33 (Hudson)

Assemblyman TROY SINGLETON

District 7 (Burlington)

Co-Sponsored by:

Assemblyman Coughlin

SYNOPSIS

Changes year used to calculate TDI and FLI employee taxes from most recent calendar year to most recent fiscal year.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/23/2017)

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2

1 AN ACT concerning the calculation of employee taxes for temporary
2 disability insurance and family leave insurance and amending
3 R.S.43:21-7.

4

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

7

8 1. R.S.43:21-7 is amended to read as follows:

9 43:21-7. Employers other than governmental entities, whose
10 benefit financing provisions are set forth in section 4 of P.L.1971,
11 c.346 (C.43:21-7.3), and those nonprofit organizations liable for
12 payment in lieu of contributions on the basis set forth in section 3 of
13 P.L.1971, c.346 (C.43:21-7.2), shall pay to the controller for the
14 unemployment compensation fund, contributions as set forth in
15 subsections (a), (b) and (c) hereof, and the provisions of subsections
16 (d) and (e) shall be applicable to all employers, consistent with the
17 provisions of the "unemployment compensation law" and the
18 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25
19 et al.).

20 (a) Payment.

21 (1) Contributions shall accrue and become payable by each
22 employer for each calendar year in which he is subject to this
23 chapter (R.S.43:21-1 et seq.), with respect to having individuals in
24 his employ during that calendar year, at the rates and on the basis
25 hereinafter set forth. Such contributions shall become due and be
26 paid by each employer to the controller for the fund, in accordance
27 with such regulations as may be prescribed, and shall not be
28 deducted, in whole or in part, from the remuneration of individuals
29 in his employ.

30 (2) In the payment of any contributions, a fractional part of a
31 cent shall be disregarded unless it amounts to \$0.005 or more, in
32 which case it shall be increased to \$0.01.

33 (b) Rate of contributions. Each employer shall pay the following
34 contributions:

35 (1) For the calendar year 1947, and each calendar year
36 thereafter, 2 7/10% of wages paid by him during each such calendar
37 year, except as otherwise prescribed by subsection (c) of this
38 section.

39 (2) The "wages" of any individual, with respect to any one
40 employer, as the term is used in this subsection (b) and in
41 subsections (c), (d) and (e) of this section 7, shall include the first
42 \$4,800.00 paid during calendar year 1975, for services performed
43 either within or without this State; provided that no contribution
44 shall be required by this State with respect to services performed in
45 another state if such other state imposes contribution liability with
46 respect thereto. If an employer (hereinafter referred to as a

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.

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1 successor employer) during any calendar year acquires substantially
2 all the property used in a trade or business of another employer
3 (hereinafter referred to as a predecessor), or used in a separate unit
4 of a trade or business of a predecessor, and immediately after the
5 acquisition employs in his trade or business an individual who
6 immediately prior to the acquisition was employed in the trade or
7 business of such predecessors, then, for the purpose of determining
8 whether the successor employer has paid wages with respect to
9 employment equal to the first \$4,800.00 paid during calendar year
10 1975, any wages paid to such individual by such predecessor during
11 such calendar year and prior to such acquisition shall be considered
12 as having been paid by such successor employer.

13 (3) For calendar years beginning on and after January 1, 1976,
14 the "wages" of any individual, as defined in the preceding
15 paragraph (2) of this subsection (b), shall be established and
16 promulgated by the Commissioner of Labor and Workforce
17 Development on or before September 1 of the preceding year and
18 shall be, 28 times the Statewide average weekly remuneration paid
19 to workers by employers, as determined under R.S.43:21-3(c),
20 raised to the next higher multiple of \$100.00 if not already a
21 multiple thereof, provided that if the amount of wages so
22 determined for a calendar year is less than the amount similarly
23 determined for the preceding year, the greater amount will be used;
24 provided, further, that if the amount of such wages so determined
25 does not equal or exceed the amount of wages as defined in
26 subsection (b) of section 3306 of the Internal Revenue Code of
27 1986 (26 U.S.C. s.3306(b)), the wages as determined in this
28 paragraph in any calendar year shall be raised to equal the amount
29 established under the "Federal Unemployment Tax Act," chapter 23
30 of the Internal Revenue Code of 1986 (26 U.S.C. s.3301 et seq.), for
31 that calendar year.

32 (c) Future rates based on benefit experience.

33 (1) A separate account for each employer shall be maintained
34 and this shall be credited with all the contributions which he has
35 paid on his own behalf on or before January 31 of any calendar year
36 with respect to employment occurring in the preceding calendar
37 year; provided, however, that if January 31 of any calendar year
38 falls on a Saturday or Sunday, an employer's account shall be
39 credited as of January 31 of such calendar year with all the
40 contributions which he has paid on or before the next succeeding
41 day which is not a Saturday or Sunday. But nothing in this chapter
42 (R.S.43:21-1 et seq.) shall be construed to grant any employer or
43 individuals in his service prior claims or rights to the amounts paid
44 by him into the fund either on his own behalf or on behalf of such
45 individuals. Benefits paid with respect to benefit years commencing
46 on and after January 1, 1953, to any individual on or before
47 December 31 of any calendar year with respect to unemployment in
48 such calendar year and in preceding calendar years shall be charged

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1 against the account or accounts of the employer or employers in
2 whose employment such individual established base weeks
3 constituting the basis of such benefits, except that, with respect to
4 benefit years commencing after January 4, 1998, an employer's
5 account shall not be charged for benefits paid to a claimant if the
6 claimant's employment by that employer was ended in any way
7 which, pursuant to subsection (a), (b), (c), (f), (g) or (h) of
8 R.S.43:21-5, would have disqualified the claimant for benefits if the
9 claimant had applied for benefits at the time when that employment
10 ended. Benefits paid under a given benefit determination shall be
11 charged against the account of the employer to whom such
12 determination relates. When each benefit payment is made,
13 notification shall be promptly provided to each employer included
14 in the unemployment insurance monetary calculation of benefits.
15 Such notification shall identify the employer against whose account
16 the amount of such payment is being charged, shall show at least
17 the name and social security account number of the claimant and
18 shall specify the period of unemployment to which said benefit
19 payment applies.

20 An annual summary statement of unemployment benefits
21 charged to the employer's account shall be provided.

22 (2) Regulations may be prescribed for the establishment,
23 maintenance, and dissolution of joint accounts by two or more
24 employers, and shall, in accordance with such regulations and upon
25 application by two or more employers to establish such an account,
26 or to merge their several individual accounts in a joint account,
27 maintain such joint account as if it constituted a single employer's
28 account.

29 (3) No employer's rate shall be lower than 5.4% unless
30 assignment of such lower rate is consistent with the conditions
31 applicable to additional credit allowance for such year under section
32 3303(a)(1) of the Internal Revenue Code of 1986 (26 U.S.C.
33 s.3303(a)(1)), any other provision of this section to the contrary
34 notwithstanding.

35 (4) Employer Reserve Ratio. (A) Each employer's rate shall be 2
36 8/10%, except as otherwise provided in the following provisions.
37 No employer's rate for the 12 months commencing July 1 of any
38 calendar year shall be other than 2 8/10%, unless as of the
39 preceding January 31 such employer shall have paid contributions
40 with respect to wages paid in each of the three calendar years
41 immediately preceding such year, in which case such employer's
42 rate for the 12 months commencing July 1 of any calendar year
43 shall be determined on the basis of his record up to the beginning of
44 such calendar year. If, at the beginning of such calendar year, the
45 total of all his contributions, paid on his own behalf, for all past
46 years exceeds the total benefits charged to his account for all such
47 years, his contribution rate shall be:

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- 1 (1) 2 5/10%, if such excess equals or exceeds 4%, but less than
2 5%, of his average annual payroll (as defined in paragraph (2),
3 subsection (a) of R.S.43:21-19);
- 4 (2) 2 2/10%, if such excess equals or exceeds 5%, but is less
5 than 6%, of his average annual payroll;
- 6 (3) 1 9/10%, if such excess equals or exceeds 6%, but is less
7 than 7%, of his average annual payroll;
- 8 (4) 1 6/10%, if such excess equals or exceeds 7%, but is less
9 than 8%, of his average annual payroll;
- 10 (5) 1 3/10%, if such excess equals or exceeds 8%, but is less
11 than 9%, of his average annual payroll;
- 12 (6) 1%, if such excess equals or exceeds 9%, but is less than
13 10%, of his average annual payroll;
- 14 (7) 7/10 of 1%, if such excess equals or exceeds 10%, but is less
15 than 11%, of his average annual payroll;
- 16 (8) 4/10 of 1%, if such excess equals or exceeds 11% of his
17 average annual payroll.
- 18 (B) If the total of an employer's contributions, paid on his own
19 behalf, for all past periods for the purposes of this paragraph (4), is
20 less than the total benefits charged against his account during the
21 same period, his rate shall be:
- 22 (1) 4%, if such excess is less than 10% of his average annual
23 payroll;
- 24 (2) 4 3/10%, if such excess equals or exceeds 10%, but is less
25 than 20%, of his average annual payroll;
- 26 (3) 4 6/10%, if such excess equals or exceeds 20% of his
27 average annual payroll.
- 28 (C) Specially assigned rates.
- 29 (i) If no contributions were paid on wages for employment in
30 any calendar year used in determining the average annual payroll of
31 an employer eligible for an assigned rate under this paragraph (4),
32 the employer's rate shall be specially assigned as follows:
- 33 if the reserve balance in its account is positive, its assigned rate
34 shall be the highest rate in effect for positive balance accounts for
35 that period, or 5.4%, whichever is higher, and
- 36 if the reserve balance in its account is negative, its assigned rate
37 shall be the highest rate in effect for deficit accounts for that period.
- 38 (ii) If, following the purchase of a corporation with little or no
39 activity, known as a corporate shell, the resulting employing unit
40 operates a new or different business activity, the employing unit
41 shall be assigned a new employer rate.
- 42 (iii) Entities operating under common ownership, management or
43 control, when the operation of the entities is not identifiable,
44 distinguishable and severable, shall be considered a single employer
45 for the purposes of this chapter (R.S.43:21-1 et seq.).
- 46 (D) The contribution rates prescribed by subparagraphs (A) and
47 (B) of this paragraph (4) shall be increased or decreased in

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1 accordance with the provisions of paragraph (5) of this subsection
2 (c) for experience rating periods through June 30, 1986.

3 (5) (A) Unemployment Trust Fund Reserve Ratio. If on March
4 31 of any calendar year the balance in the unemployment trust fund
5 equals or exceeds 4% but is less than 7% of the total taxable wages
6 reported to the controller as of that date in respect to employment
7 during the preceding calendar year, the contribution rate, effective
8 July 1 following, of each employer eligible for a contribution rate
9 calculation based upon benefit experience, shall be increased by
10 $\frac{3}{10}$ of 1% over the contribution rate otherwise established under
11 the provisions of paragraph (3) or (4) of this subsection. If on
12 March 31 of any calendar year the balance of the unemployment
13 trust fund exceeds $2\frac{1}{2}\%$ but is less than 4% of the total taxable
14 wages reported to the controller as of that date in respect to
15 employment during the preceding calendar year, the contribution
16 rate, effective July 1 following, of each employer eligible for a
17 contribution rate calculation based upon benefit experience, shall be
18 increased by $\frac{6}{10}$ of 1% over the contribution rate otherwise
19 established under the provisions of paragraph (3) or (4) of this
20 subsection.

21 If on March 31 of any calendar year the balance of the
22 unemployment trust fund is less than $2\frac{1}{2}\%$ of the total taxable
23 wages reported to the controller as of that date in respect to
24 employment during the preceding calendar year, the contribution
25 rate, effective July 1 following, of each employer: (1) eligible for a
26 contribution rate calculation based upon benefit experience, shall be
27 increased by (i) $\frac{6}{10}$ of 1% over the contribution rate otherwise
28 established under the provisions of paragraph (3), (4)(A) or (4)(B)
29 of this subsection, and (ii) an additional amount equal to 20% of the
30 total rate established herein, provided, however, that the final
31 contribution rate for each employer shall be computed to the nearest
32 multiple of $\frac{1}{10}\%$ if not already a multiple thereof; (2) not eligible
33 for a contribution rate calculation based upon benefit experience,
34 shall be increased by $\frac{6}{10}$ of 1% over the contribution rate
35 otherwise established under the provisions of paragraph (4) of this
36 subsection. For the period commencing July 1, 1984 and ending
37 June 30, 1986, the contribution rate for each employer liable to pay
38 contributions under R.S.43:21-7 shall be increased by a factor of
39 10% computed to the nearest multiple of $\frac{1}{10}\%$ if not already a
40 multiple thereof.

41 (B) If on March 31 of any calendar year the balance in the
42 unemployment trust fund equals or exceeds 10% but is less than $12\frac{1}{2}\%$
43 of the total taxable wages reported to the controller as of that
44 date in respect to employment during the preceding calendar year,
45 the contribution rate, effective July 1 following, of each employer
46 eligible for a contribution rate calculation based upon benefit
47 experience, shall be reduced by $\frac{3}{10}$ of 1% under the contribution
48 rate otherwise established under the provisions of paragraphs (3)

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1 and (4) of this subsection; provided that in no event shall the
2 contribution rate of any employer be reduced to less than 4/10 of
3 1%. If on March 31 of any calendar year the balance in the
4 unemployment trust fund equals or exceeds 12 1/2% of the total
5 taxable wages reported to the controller as of that date in respect to
6 employment during the preceding calendar year, the contribution
7 rate, effective July 1 following, of each employer eligible for a
8 contribution rate calculation based upon benefit experience, shall be
9 reduced by 6/10 of 1% if his account for all past periods reflects an
10 excess of contributions paid over total benefits charged of 3% or
11 more of his average annual payroll, otherwise by 3/10 of 1% under
12 the contribution rate otherwise established under the provisions of
13 paragraphs (3) and (4) of this subsection; provided that in no event
14 shall the contribution rate of any employer be reduced to less than
15 4/10 of 1%.

16 (C) The "balance" in the unemployment trust fund, as the term is
17 used in subparagraphs (A) and (B) above, shall not include moneys
18 credited to the State's account under section 903 of the Social
19 Security Act, as amended (42 U.S.C. s.1103), during any period in
20 which such moneys are appropriated for the payment of expenses
21 incurred in the administration of the "unemployment compensation
22 law."

23 (D) Prior to July 1 of each calendar year the controller shall
24 determine the Unemployment Trust Fund Reserve Ratio, which
25 shall be calculated by dividing the balance of the unemployment
26 trust fund as of the prior March 31 by total taxable wages reported
27 to the controller by all employers as of March 31 with respect to
28 their employment during the last calendar year.

29 (E) (i) (Deleted by amendment, P.L.1997, c.263).

30 (ii) (Deleted by amendment, P.L.2001, c.152).

31 (iii) (Deleted by amendment, P.L.2003, c.107).

32 (iv) (Deleted by amendment, P.L.2004, c.45).

33 (v) (Deleted by amendment, P.L.2008, c.17).

34 (vi) (Deleted by amendment, P.L.2013, c.75).

35 (vii) With respect to experience rating years beginning on or
36 after July 1, 2011, the new employer rate or the unemployment
37 experience rate of an employer under this section shall be the rate
38 which appears in the column headed by the Unemployment Trust
39 Fund Reserve Ratio as of the applicable calculation date and on the
40 line with the Employer Reserve Ratio, as defined in paragraph (4)
41 of this subsection (R.S.43:21-7 (c)(4)), as set forth in the following
42 table:

43 EXPERIENCE RATING TAX TABLE

44		Fund Reserve Ratio ¹				
45		3.50%	3.00%	2.5%	2.0%	1.99%
46	Employer	and	to	to	to	and
47	Reserve	Over	3.49%	2.99%	2.49%	Under
48	Ratio ²	A	B	C	D	E

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1	Positive Reserve Ratio:					
2	17% and over	0.3	0.4	0.5	0.6	1.2
3	16.00% to 16.99%	0.4	0.5	0.6	0.6	1.2
4	15.00% to 15.99%	0.4	0.6	0.7	0.7	1.2
5	14.00% to 14.99%	0.5	0.6	0.7	0.8	1.2
6	13.00% to 13.99%	0.6	0.7	0.8	0.9	1.2
7	12.00% to 12.99%	0.6	0.8	0.9	1.0	1.2
8	11.00% to 11.99%	0.7	0.8	1.0	1.1	1.2
9	10.00% to 10.99%	0.9	1.1	1.3	1.5	1.6
10	9.00% to 9.99%	1.0	1.3	1.6	1.7	1.9
11	8.00% to 8.99%	1.3	1.6	1.9	2.1	2.3
12	7.00% to 7.99%	1.4	1.8	2.2	2.4	2.6
13	6.00% to 6.99%	1.7	2.1	2.5	2.8	3.0
14	5.00% to 5.99%	1.9	2.4	2.8	3.1	3.4
15	4.00% to 4.99%	2.0	2.6	3.1	3.4	3.7
16	3.00% to 3.99%	2.1	2.7	3.2	3.6	3.9
17	2.00% to 2.99%	2.2	2.8	3.3	3.7	4.0
18	1.00% to 1.99%	2.3	2.9	3.4	3.8	4.1
19	0.00% to 0.99%	2.4	3.0	3.6	4.0	4.3
20	Deficit Reserve Ratio:					
21	-0.00% to -2.99%	3.4	4.3	5.1	5.6	6.1
22	-3.00% to -5.99%	3.4	4.3	5.1	5.7	6.2
23	-6.00% to -8.99%	3.5	4.4	5.2	5.8	6.3
24	-9.00% to -11.99%	3.5	4.5	5.3	5.9	6.4
25	-12.00% to -14.99%	3.6	4.6	5.4	6.0	6.5
26	-15.00% to -19.99%	3.6	4.6	5.5	6.1	6.6
27	-20.00% to -24.99%	3.7	4.7	5.6	6.2	6.7
28	-25.00% to -29.99%	3.7	4.8	5.6	6.3	6.8
29	-30.00% to -34.99%	3.8	4.8	5.7	6.3	6.9
30	-35.00% and under	5.4	5.4	5.8	6.4	7.0
31	New Employer Rate	2.8	2.8	2.8	3.1	3.4

32 ¹Fund balance as of March 31 as a percentage of taxable wages
33 in the prior calendar year.

34 ²Employer Reserve Ratio (Contributions minus benefits as a
35 percentage of employer's taxable wages).

36 (F) (i) (Deleted by amendment, P.L.1997, c.263).

37 (ii) (Deleted by amendment, P.L.2008, c.17).

38 (iii) (Deleted by amendment, P.L.2013, c.75).

39 (iv) With respect to experience rating years beginning on or after
40 July 1, 2011 and before July 1, 2013, if the fund reserve ratio, based
41 on the fund balance as of the prior March 31, is less than 1.0%, the
42 contribution rate for each employer liable to pay contributions, as
43 computed under subparagraph (E) of this paragraph (5), shall be
44 increased by a factor of 10% computed to the nearest multiple of
45 1/10% if not already a multiple thereof.

46 (v) With respect to experience rating years beginning on or after
47 July 1, 2014, if the fund reserve ratio, based on the fund balance as
48 of the prior March 31, is less than 1.0%, the contribution rate for

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1 each employer liable to pay contributions, as computed under
2 subparagraph (E) of this paragraph (5), shall be increased by a
3 factor of 10% computed to the nearest multiple of 1/10% if not
4 already a multiple thereof.

5 (G) On or after January 1, 1993, notwithstanding any other
6 provisions of this paragraph (5), the contribution rate for each
7 employer liable to pay contributions, as computed under
8 subparagraph (E) of this paragraph (5), shall be decreased by 0.1%,
9 except that, during any experience rating year starting before
10 January 1, 1998 in which the fund reserve ratio is equal to or greater
11 than 7.00% or during any experience rating year starting on or after
12 January 1, 1998, in which the fund reserve ratio is equal to or
13 greater than 3.5%, there shall be no decrease pursuant to this
14 subparagraph (G) in the contribution of any employer who has a
15 deficit reserve ratio of negative 35.00% or under.

16 (H) On and after January 1, 1998 until December 31, 2000 and
17 on or after January 1, 2002 until June 30, 2006, the contribution rate
18 for each employer liable to pay contributions, as computed under
19 subparagraph (E) of this paragraph (5), shall be decreased by a
20 factor, as set out below, computed to the nearest multiple of 1/10%,
21 except that, if an employer has a deficit reserve ratio of negative
22 35.0% or under, the employer's rate of contribution shall not be
23 reduced pursuant to this subparagraph (H) to less than 5.4%:

- 24 From January 1, 1998 until December 31, 1998, a factor of 12%;
- 25 From January 1, 1999 until December 31, 1999, a factor of 10%;
- 26 From January 1, 2000 until December 31, 2000, a factor of 7%;
- 27 From January 1, 2002 until March 31, 2002, a factor of 36%;
- 28 From April 1, 2002 until June 30, 2002, a factor of 85%;
- 29 From July 1, 2002 until June 30, 2003, a factor of 15%;
- 30 From July 1, 2003 until June 30, 2004, a factor of 15%;
- 31 From July 1, 2004 until June 30, 2005, a factor of 7%;
- 32 From July 1, 2005 until December 31, 2005, a factor of 16%; and
- 33 From January 1, 2006 until June 30, 2006, a factor of 34%.

34 The amount of the reduction in the employer contributions
35 stipulated by this subparagraph (H) shall be in addition to the
36 amount of the reduction in the employer contributions stipulated by
37 subparagraph (G) of this paragraph (5), except that the rate of
38 contribution of an employer who has a deficit reserve ratio of
39 negative 35.0% or under shall not be reduced pursuant to this
40 subparagraph (H) to less than 5.4% and the rate of contribution of
41 any other employer shall not be reduced to less than 0.0%.

42 (I) (Deleted by amendment, P.L.2008, c.17).

43 (J) On or after July 1, 2001, notwithstanding any other
44 provisions of this paragraph (5), the contribution rate for each
45 employer liable to pay contributions, as computed under
46 subparagraph (E) of this paragraph (5), shall be decreased by
47 0.0175%, except that, during any experience rating year starting on
48 or after July 1, 2001, in which the fund reserve ratio is equal to or

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1 greater than 3.5%, there shall be no decrease pursuant to this
2 subparagraph (J) in the contribution of any employer who has a
3 deficit reserve ratio of negative 35.00% or under. The amount of the
4 reduction in the employer contributions stipulated by this
5 subparagraph (J) shall be in addition to the amount of the reduction
6 in the employer contributions stipulated by subparagraphs (G) and
7 (H) of this paragraph (5), except that the rate of contribution of an
8 employer who has a deficit reserve ratio of negative 35.0% or under
9 shall not be reduced pursuant to this subparagraph (J) to less than
10 5.4% and the rate of contribution of any other employer shall not be
11 reduced to less than 0.0%.

12 (K) With respect to experience rating years beginning on or after
13 July 1, 2009, if the fund reserve ratio, based on the fund balance as
14 of the prior March 31, is:

15 (i) Equal to or greater than 5.00% but less than 7.5%, the
16 contribution rate for each employer liable to pay contributions, as
17 computed under subparagraph (E) of this paragraph (5), shall be
18 reduced by a factor of 25% computed to the nearest multiple of
19 1/10% if not already a multiple thereof except that there shall be no
20 decrease pursuant to this subparagraph (K) in the contribution of
21 any employer who has a deficit reserve ratio of 35.00% or under;

22 (ii) Equal to or greater than 7.5%, the contribution rate for each
23 employer liable to pay contributions, as computed under
24 subparagraph (E) of this paragraph (5), shall be reduced by a factor
25 of 50% computed to the nearest multiple of 1/10% if not already a
26 multiple thereof except that there shall be no decrease pursuant to
27 this subparagraph (K) in the contribution of any employer who has
28 a deficit reserve ratio of 35.00% or under.

29 (L) Notwithstanding any other provision of this paragraph (5)
30 and notwithstanding the actual fund reserve ratio, the contribution
31 rate for employers liable to pay contributions, as computed under
32 subparagraph (E) of this paragraph (5), shall be, for fiscal year
33 2011, the rates set by column "C" of the table in that subparagraph.

34 (M) Notwithstanding any other provision of this paragraph (5)
35 and notwithstanding the actual fund reserve ratio, the contribution
36 rate for employers liable to pay contributions, as computed under
37 subparagraph (E) of this paragraph (5), shall be, for fiscal year
38 2012, the rates set by column "D" of the table in that subparagraph.

39 (N) Notwithstanding any other provision of this paragraph (5)
40 and notwithstanding the actual fund reserve ratio, the contribution
41 rate for employers liable to pay contributions, as computed under
42 subparagraph (E) of this paragraph (5), shall be, for fiscal year
43 2013, the rates set by column "E" of the table in that subparagraph.

44 (6) Additional contributions.

45 Notwithstanding any other provision of law, any employer who
46 has been assigned a contribution rate pursuant to subsection (c) of
47 this section for the year commencing July 1, 1948, and for any year
48 commencing July 1 thereafter, may voluntarily make payment of

1 additional contributions, and upon such payment shall receive a
2 recomputation of the experience rate applicable to such employer,
3 including in the calculation the additional contribution so made,
4 except that, following a transfer as described under R.S.43:21-
5 7(c)(7)(D), neither the predecessor nor successor in interest shall be
6 eligible to make a voluntary payment of additional contributions
7 during the year the transfer occurs and the next full calendar year.
8 Any such additional contribution shall be made during the 30-day
9 period following the notification to the employer of his contribution
10 rate as prescribed in this section, unless, for good cause, the time
11 for payment has been extended by the controller for not to exceed
12 an additional 60 days; provided that in no event may such payments
13 which are made later than 120 days after the beginning of the year
14 for which such rates are effective be considered in determining the
15 experience rate for the year in which the payment is made. Any
16 employer receiving any extended period of time within which to
17 make such additional payment and failing to make such payment
18 timely shall be, in addition to the required amount of additional
19 payment, liable for a penalty of 5% thereof or \$5.00, whichever is
20 greater, not to exceed \$50.00. Any adjustment under this subsection
21 shall be made only in the form of credits against accrued or future
22 contributions.

23 (7) Transfers.

24 (A) Upon the transfer of the organization, trade or business, or
25 substantially all the assets of an employer to a successor in interest,
26 whether by merger, consolidation, sale, transfer, descent or
27 otherwise, the controller shall transfer the employment experience
28 of the predecessor employer to the successor in interest, including
29 credit for past years, contributions paid, annual payrolls, benefit
30 charges, et cetera, applicable to such predecessor employer,
31 pursuant to regulation, if it is determined that the employment
32 experience of the predecessor employer with respect to the
33 organization, trade, assets or business which has been transferred
34 may be considered indicative of the future employment experience
35 of the successor in interest. The successor in interest may, within
36 four months of the date of such transfer of the organization, trade,
37 assets or business, or thereafter upon good cause shown, request a
38 reconsideration of the transfer of employment experience of the
39 predecessor employer. The request for reconsideration shall
40 demonstrate, to the satisfaction of the controller, that the
41 employment experience of the predecessor is not indicative of the
42 future employment experience of the successor.

43 (B) An employer who transfers part of his or its organization,
44 trade, assets or business to a successor in interest, whether by
45 merger, consolidation, sale, transfer, descent or otherwise, may
46 jointly make application with such successor in interest for transfer
47 of that portion of the employment experience of the predecessor
48 employer relating to the portion of the organization, trade, assets or

1 business transferred to the successor in interest, including credit for
2 past years, contributions paid, annual payrolls, benefit charges, et
3 cetera, applicable to such predecessor employer. The transfer of
4 employment experience may be allowed pursuant to regulation only
5 if it is found that the employment experience of the predecessor
6 employer with respect to the portion of the organization, trade,
7 assets or business which has been transferred may be considered
8 indicative of the future employment experience of the successor in
9 interest. Credit shall be given to the successor in interest only for
10 the years during which contributions were paid by the predecessor
11 employer with respect to that part of the organization, trade, assets
12 or business transferred.

13 (C) A transfer of the employment experience in whole or in part
14 having become final, the predecessor employer thereafter shall not
15 be entitled to consideration for an adjusted rate based upon his or its
16 experience or the part thereof, as the case may be, which has thus
17 been transferred. A successor in interest to whom employment
18 experience or a part thereof is transferred pursuant to this
19 subsection shall, as of the date of the transfer of the organization,
20 trade, assets or business, or part thereof, immediately become an
21 employer if not theretofore an employer subject to this chapter
22 (R.S.43:21-1 et seq.).

23 (D) If an employer transfers in whole or in part his or its
24 organization, trade, assets or business to a successor in interest,
25 whether by merger, consolidation, sale, transfer, descent or
26 otherwise and both the employer and successor in interest are at the
27 time of the transfer under common ownership, management or
28 control, then the employment experience attributable to the
29 transferred business shall also be transferred to and combined with
30 the employment experience of the successor in interest. The
31 transfer of the employment experience is mandatory and not subject
32 to appeal or protest.

33 (E) The transfer of part of an employer's employment experience
34 to a successor in interest shall become effective as of the first day of
35 the calendar quarter following the acquisition by the successor in
36 interest. As of the effective date, the successor in interest shall
37 have its employer rate recalculated by merging its existing
38 employment experience, if any, with the employment experience
39 acquired. If the successor in interest is not an employer as of the
40 date of acquisition, it shall be assigned the new employer rate until
41 the effective date of the transfer of employment experience.

42 (F) Upon the transfer in whole or in part of the organization,
43 trade, assets or business to a successor in interest, the employment
44 experience shall not be transferred if the successor in interest is not
45 an employer at the time of the acquisition and the controller finds
46 that the successor in interest acquired the business solely or
47 primarily for the purpose of obtaining a lower rate of contributions.

1 (d) Contributions of workers to the unemployment
2 compensation fund and the State disability benefits fund.

3 (1) (A) For periods after January 1, 1975, each worker shall
4 contribute to the fund 1% of his wages with respect to his
5 employment with an employer, which occurs on and after January
6 1, 1975, after such employer has satisfied the condition set forth in
7 subsection (h) of R.S.43:21-19 with respect to becoming an
8 employer; provided, however, that such contributions shall be at the
9 rate of 1/2 of 1% of wages paid with respect to employment while
10 the worker is in the employ of the State of New Jersey, or any
11 governmental entity or instrumentality which is an employer as
12 defined under R.S.43:21-19(h)(5), or is covered by an approved
13 private plan under the "Temporary Disability Benefits Law" or
14 while the worker is exempt from the provisions of the "Temporary
15 Disability Benefits Law" under section 7 of that law, P.L.1948,
16 c.110 (C.43:21-31).

17 (B) Effective January 1, 1978 there shall be no contributions by
18 workers in the employ of any governmental or nongovernmental
19 employer electing or required to make payments in lieu of
20 contributions unless the employer is covered by the State plan under
21 the "Temporary Disability Benefits Law" (C.43:21-25 et al.), and in
22 that case contributions shall be at the rate of 1/2 of 1%, except that
23 commencing July 1, 1986, workers in the employ of any
24 nongovernmental employer electing or required to make payments
25 in lieu of contributions shall be required to make contributions to
26 the fund at the same rate prescribed for workers of other
27 nongovernmental employers.

28 (C) (i) Notwithstanding the above provisions of this paragraph
29 (1), during the period starting July 1, 1986 and ending December
30 31, 1992, each worker shall contribute to the fund 1.125% of wages
31 paid with respect to his employment with a governmental employer
32 electing or required to pay contributions or nongovernmental
33 employer, including a nonprofit organization which is an employer
34 as defined under R.S.43:21-19(h)(6), regardless of whether that
35 nonprofit organization elects or is required to finance its benefit
36 costs with contributions to the fund or by payments in lieu of
37 contributions, after that employer has satisfied the conditions set
38 forth in subsection R.S.43:21-19(h) with respect to becoming an
39 employer. Contributions, however, shall be at the rate of 0.625%
40 while the worker is covered by an approved private plan under the
41 "Temporary Disability Benefits Law" or while the worker is exempt
42 under section 7 of that law, P.L.1948, c.110 (C.43:21-31) or any
43 other provision of that law; provided that such contributions shall
44 be at the rate of 0.625% of wages paid with respect to employment
45 with the State of New Jersey or any other governmental entity or
46 instrumentality electing or required to make payments in lieu of
47 contributions and which is covered by the State plan under the
48 "Temporary Disability Benefits Law," except that, while the worker

1 is exempt from the provisions of the "Temporary Disability Benefits
2 Law" under section 7 of that law, P.L.1948, c.110 (C.43:21-31) or
3 any other provision of that law, or is covered for disability benefits
4 by an approved private plan of the employer, the contributions to
5 the fund shall be 0.125%.

6 (ii) (Deleted by amendment, P.L.1995, c.422.)

7 (D) Notwithstanding any other provisions of this paragraph (1),
8 during the period starting January 1, 1993 and ending June 30,
9 1994, each worker shall contribute to the unemployment
10 compensation fund 0.5% of wages paid with respect to the worker's
11 employment with a governmental employer electing or required to
12 pay contributions or nongovernmental employer, including a
13 nonprofit organization which is an employer as defined under
14 paragraph (6) of subsection (h) of R.S.43:21-19, regardless of
15 whether that nonprofit organization elects or is required to finance
16 its benefit costs with contributions to the fund or by payments in
17 lieu of contributions, after that employer has satisfied the conditions
18 set forth in subsection (h) of R.S.43:21-19 with respect to becoming
19 an employer. No contributions, however, shall be made by the
20 worker while the worker is covered by an approved private plan
21 under the "Temporary Disability Benefits Law," P.L.1948,
22 c.110 (C.43:21-25 et al.) or while the worker is exempt under
23 section 7 of P.L.1948, c.110 (C.43:21-31) or any other provision of
24 that law; provided that the contributions shall be at the rate of
25 0.50% of wages paid with respect to employment with the State of
26 New Jersey or any other governmental entity or instrumentality
27 electing or required to make payments in lieu of contributions and
28 which is covered by the State plan under the "Temporary Disability
29 Benefits Law," except that, while the worker is exempt from the
30 provisions of the "Temporary Disability Benefits Law" under
31 section 7 of that law, P.L.1948, c.110 (C.43:21-31) or any other
32 provision of that law, or is covered for disability benefits by an
33 approved private plan of the employer, no contributions shall be
34 made to the fund.

35 Each worker shall, starting on January 1, 1996 and ending March
36 31, 1996, contribute to the unemployment compensation fund
37 0.60% of wages paid with respect to the worker's employment with
38 a governmental employer electing or required to pay contributions
39 or nongovernmental employer, including a nonprofit organization
40 which is an employer as defined under paragraph (6) of subsection
41 (h) of R.S.43:21-19, regardless of whether that nonprofit
42 organization elects or is required to finance its benefit costs with
43 contributions to the fund or by payments in lieu of contributions,
44 after that employer has satisfied the conditions set forth in
45 subsection (h) of R.S.43:21-19 with respect to becoming an
46 employer, provided that the contributions shall be at the rate of
47 0.10% of wages paid with respect to employment with the State of

1 New Jersey or any other governmental entity or instrumentality
2 electing or required to make payments in lieu of contributions.

3 Each worker shall, starting on January 1, 1998 and ending
4 December 31, 1998, contribute to the unemployment compensation
5 fund 0.10% of wages paid with respect to the worker's employment
6 with a governmental employer electing or required to pay
7 contributions or nongovernmental employer, including a nonprofit
8 organization which is an employer as defined under paragraph (6)
9 of subsection (h) of R.S.43:21-19, regardless of whether that
10 nonprofit organization elects or is required to finance its benefit
11 costs with contributions to the fund or by payments in lieu of
12 contributions, after that employer has satisfied the conditions set
13 forth in subsection (h) of R.S.43:21-19 with respect to becoming an
14 employer, provided that the contributions shall be at the rate of
15 0.10% of wages paid with respect to employment with the State of
16 New Jersey or any other governmental entity or instrumentality
17 electing or required to make payments in lieu of contributions.

18 Each worker shall, starting on January 1, 1999 until December
19 31, 1999, contribute to the unemployment compensation fund
20 0.15% of wages paid with respect to the worker's employment with
21 a governmental employer electing or required to pay contributions
22 or nongovernmental employer, including a nonprofit organization
23 which is an employer as defined under paragraph (6) of subsection
24 (h) of R.S.43:21-19, regardless of whether that nonprofit
25 organization elects or is required to finance its benefit costs with
26 contributions to the fund or by payments in lieu of contributions,
27 after that employer has satisfied the conditions set forth in
28 subsection (h) of R.S.43:21-19 with respect to becoming an
29 employer, provided that the contributions shall be at the rate of
30 0.10% of wages paid with respect to employment with the State of
31 New Jersey or any other governmental entity or instrumentality
32 electing or required to make payments in lieu of contributions.

33 Each worker shall, starting on January 1, 2000 until December
34 31, 2001, contribute to the unemployment compensation fund
35 0.20% of wages paid with respect to the worker's employment with
36 a governmental employer electing or required to pay contributions
37 or nongovernmental employer, including a nonprofit organization
38 which is an employer as defined under paragraph (6) of subsection
39 (h) of R.S.43:21-19, regardless of whether that nonprofit
40 organization elects or is required to finance its benefit costs with
41 contributions to the fund or by payments in lieu of contributions,
42 after that employer has satisfied the conditions set forth in
43 subsection (h) of R.S.43:21-19 with respect to becoming an
44 employer, provided that the contributions shall be at the rate of
45 0.10% of wages paid with respect to employment with the State of
46 New Jersey or any other governmental entity or instrumentality
47 electing or required to make payments in lieu of contributions.

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1 Each worker shall, starting on January 1, 2002 until June 30,
2 2004, contribute to the unemployment compensation fund 0.1825%
3 of wages paid with respect to the worker's employment with a
4 governmental employer electing or required to pay contributions or
5 a nongovernmental employer, including a nonprofit organization
6 which is an employer as defined under paragraph (6) of subsection
7 (h) of R.S.43:21-19, regardless of whether that nonprofit
8 organization elects or is required to finance its benefit costs with
9 contributions to the fund or by payments in lieu of contributions,
10 after that employer has satisfied the conditions set forth in
11 subsection (h) of R.S.43:21-19 with respect to becoming an
12 employer, provided that the contributions shall be at the rate of
13 0.0825% of wages paid with respect to employment with the State
14 of New Jersey or any other governmental entity or instrumentality
15 electing or required to make payments in lieu of contributions.

16 Each worker shall, starting on and after July 1, 2004, contribute
17 to the unemployment compensation fund 0.3825% of wages paid
18 with respect to the worker's employment with a governmental
19 employer electing or required to pay contributions or
20 nongovernmental employer, including a nonprofit organization
21 which is an employer as defined under paragraph (6) of subsection
22 (h) of R.S.43:21-19, regardless of whether that nonprofit
23 organization elects or is required to finance its benefit costs with
24 contributions to the fund or by payments in lieu of contributions,
25 after that employer has satisfied the conditions set forth in
26 subsection (h) of R.S.43:21-19 with respect to becoming an
27 employer, provided that the contributions shall be at the rate of
28 0.0825% of wages paid with respect to employment with the State
29 of New Jersey or any other governmental entity or instrumentality
30 electing or required to make payments in lieu of contributions.

31 (E) Each employer shall, notwithstanding any provision of law
32 in this State to the contrary, withhold in trust the amount of his
33 workers' contributions from their wages at the time such wages are
34 paid, shall show such deduction on his payroll records, shall furnish
35 such evidence thereof to his workers as the division or controller
36 may prescribe, and shall transmit all such contributions, in addition
37 to his own contributions, to the office of the controller in such
38 manner and at such times as may be prescribed. If any employer
39 fails to deduct the contributions of any of his workers at the time
40 their wages are paid, or fails to make a deduction therefor at the
41 time wages are paid for the next succeeding payroll period, he alone
42 shall thereafter be liable for such contributions, and for the purpose
43 of R.S.43:21-14, such contributions shall be treated as employer's
44 contributions required from him.

45 (F) As used in this chapter (R.S.43:21-1 et seq.), except when
46 the context clearly requires otherwise, the term "contributions" shall
47 include the contributions of workers pursuant to this section.

1 (G) (i) Each worker shall, starting on July 1, 1994 and ending on
2 December 31, 2011, contribute to the State disability benefits fund
3 an amount equal to 0.50% of wages paid with respect to the
4 worker's employment with a government employer electing or
5 required to pay contributions to the State disability benefits fund or
6 nongovernmental employer, including a nonprofit organization
7 which is an employer as defined under paragraph (6) of subsection
8 (h) of R.S.43:21-19, unless the employer is covered by an approved
9 private disability plan or is exempt from the provisions of the
10 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25
11 et al.) under section 7 of that law (C.43:21-31) or any other
12 provision of that law. Each worker, with respect to the worker's
13 employment with a government employer electing or required to
14 pay contributions to the State disability benefits fund or
15 nongovernmental employer, including a nonprofit organization
16 which is an employer as defined under paragraph (6) of subsection
17 (h) of R.S.43:21-19, unless the employer is covered by an approved
18 private disability plan or is exempt from the provisions of the
19 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25
20 et al.) under section 7 of that law (C.43:21-31) or any other
21 provision of that law, shall, for calendar year 2012 and each
22 subsequent calendar year, make contributions to the State disability
23 benefits fund at the annual rate of contribution necessary to obtain a
24 total amount of contributions, which, when added to employer
25 contributions made to the State disability benefits fund pursuant to
26 subsection (e) of this section, is, for calendar years prior to calendar
27 year 2018, equal to 120% of the benefits paid for periods of
28 disability, excluding periods of family temporary disability, during
29 the immediately preceding calendar year plus an amount equal to
30 100% of the cost of administration of the payment of those benefits
31 during the immediately preceding calendar year, less the amount of
32 net assets remaining in the State disability benefits fund, excluding
33 net assets remaining in the "Family Temporary Disability Leave
34 Account" of that fund, as of December 31 of the immediately
35 preceding year, and is, for calendar year 2018 and subsequent
36 calendar years, equal to 120% of the benefits paid for periods of
37 disability, excluding periods of family temporary disability, during
38 the last preceding full fiscal year plus an amount equal to 100% of
39 the cost of administration of the payment of those benefits during
40 the last preceding full fiscal year, less the amount of net assets
41 anticipated to be remaining in the "Family Temporary Disability
42 Leave Account" of that fund, as of December 31 of the immediately
43 preceding calendar year. The estimated rates for the next calendar
44 year shall be made available on the department's website no later
45 than 60 days after the end of the last preceding full fiscal year. The
46 rates of employer contributions determined pursuant to subsection
47 (e) of this section for any year shall be determined prior to the
48 determination of the rate of employee contributions pursuant to this

1 subparagraph (i) and any consideration of employee contributions in
2 determining employer rates for any year shall be based on amounts
3 of employee contributions made prior to the year to which the rate
4 of employee contributions applies and shall not be based on any
5 projection or estimate of the amount of employee contributions for
6 the year to which that rate applies.

7 (ii) Each worker shall contribute to the State disability benefits
8 fund, in addition to any amount contributed pursuant to
9 subparagraph (i) of this paragraph (1)(G), an amount equal to,
10 during calendar year 2009, 0.09%, and during calendar year 2010
11 0.12%, of wages paid with respect to the worker's employment with
12 any covered employer, including a governmental employer which is
13 an employer as defined under R.S.43:21-19(h)(5), unless the
14 employer is covered by an approved private disability plan for
15 benefits during periods of family temporary disability leave. The
16 contributions made pursuant to this subparagraph (ii) to the State
17 disability benefits fund shall be deposited into an account of that
18 fund reserved for the payment of benefits during periods of family
19 temporary disability leave as defined in section 3 of the "Temporary
20 Disability Benefits Law," P.L.1948, c.110 (C.43:21-27) and for the
21 administration of those payments and shall not be used for any other
22 purpose. This account shall be known as the "Family Temporary
23 Disability Leave Account." For calendar year 2011 and each
24 subsequent calendar year, the annual rate of contribution to be paid
25 by workers pursuant to this subparagraph (ii) shall be, for calendar
26 years prior to calendar year 2018, the rate necessary to obtain a total
27 amount of contributions equal to 125% of the benefits paid for
28 periods of family temporary disability leave during the immediately
29 preceding calendar year plus an amount equal to 100% of the cost
30 of administration of the payment of those benefits during the
31 immediately preceding calendar year, less the amount of net assets
32 remaining in the account as of December 31 of the immediately
33 preceding year, and shall be, for calendar year 2018 and subsequent
34 calendar years, the rate necessary to obtain a total amount of
35 contributions equal to 125% of the benefits paid for periods of
36 family temporary disability leave during the last preceding full
37 fiscal year plus an amount equal to 100% of the cost of
38 administration of the payment of those benefits during the last
39 preceding full fiscal year, less the amount of net assets anticipated
40 to be remaining in the account as of December 31 of the
41 immediately preceding calendar year. The estimated rates for the
42 next calendar year shall be made available on the department's
43 website no later than 60 days after the end of the last preceding full
44 fiscal year. Necessary administrative costs shall include the cost of
45 an outreach program to inform employees of the availability of the
46 benefits and the cost of issuing the reports required or permitted
47 pursuant to section 13 of P.L.2008, c.17 (C.43:21-39.4). No
48 monies, other than the funds in the "Family Temporary Disability

1 Leave Account," shall be used for the payment of benefits during
2 periods of family temporary disability leave or for the
3 administration of those payments, with the sole exception that,
4 during calendar years 2008 and 2009, a total amount not exceeding
5 \$25 million may be transferred to that account from the revenues
6 received in the State disability benefits fund pursuant to
7 subparagraph (i) of this paragraph (1)(G) and be expended for those
8 payments and their administration, including the administration of
9 the collection of contributions made pursuant to this subparagraph
10 (ii) and any other necessary administrative costs. Any amount
11 transferred to the account pursuant to this subparagraph (ii) shall be
12 repaid during a period beginning not later than January 1, 2011 and
13 ending not later than December 31, 2015. No monies, other than the
14 funds in the "Family Temporary Disability Leave Account," shall
15 be used under any circumstances after December 31, 2009, for the
16 payment of benefits during periods of family temporary disability
17 leave or for the administration of those payments, including for the
18 administration of the collection of contributions made pursuant to
19 this subparagraph (ii).

20 (2) (A) (Deleted by amendment, P.L.1984, c.24.)

21 (B) (Deleted by amendment, P.L.1984, c.24.)

22 (C) (Deleted by amendment, P.L.1994, c.112.)

23 (D) (Deleted by amendment, P.L.1994, c.112.)

24 (E) (i) (Deleted by amendment, P.L.1994, c.112.)

25 (ii) (Deleted by amendment, P.L.1996, c.28.)

26 (iii) (Deleted by amendment, P.L.1994, c.112.)

27 (3) (A) If an employee receives wages from more than one
28 employer during any calendar year, and either the sum of his
29 contributions deposited in and credited to the State disability
30 benefits fund plus the amount of his contributions, if any, required
31 towards the costs of benefits under one or more approved private
32 plans under the provisions of section 9 of the "Temporary Disability
33 Benefits Law" (C.43:21-33) and deducted from his wages, or the
34 sum of such latter contributions, if the employee is covered during
35 such calendar year only by two or more private plans, exceeds an
36 amount equal to 1/2 of 1% of the "wages" determined in accordance
37 with the provisions of R.S.43:21-7(b)(3) during the calendar years
38 beginning on or after January 1, 1976 or, during calendar year 2012
39 or any subsequent calendar year, the total amount of his
40 contributions for the year exceeds the amount set by the annual rate
41 of contribution determined by the Commissioner of Labor and
42 Workforce Development pursuant to subparagraph (i) of paragraph
43 (1)(G) of this subsection (d), the employee shall be entitled to a
44 refund of the excess if he makes a claim to the controller within two
45 years after the end of the calendar year in which the wages are
46 received with respect to which the refund is claimed and establishes
47 his right to such refund. Such refund shall be made by the controller
48 from the State disability benefits fund. No interest shall be allowed

1 or paid with respect to any such refund. The controller shall, in
2 accordance with prescribed regulations, determine the portion of the
3 aggregate amount of such refunds made during any calendar year
4 which is applicable to private plans for which deductions were
5 made under section 9 of the "Temporary Disability Benefits Law"
6 (C.43:21-33) such determination to be based upon the ratio of the
7 amount of such wages exempt from contributions to such fund, as
8 provided in subparagraph (B) of paragraph (1) of this subsection
9 with respect to coverage under private plans, to the total wages so
10 exempt plus the amount of such wages subject to contributions to
11 the disability benefits fund, as provided in subparagraph (G) of
12 paragraph (1) of this subsection. The controller shall, in accordance
13 with prescribed regulations, prorate the amount so determined
14 among the applicable private plans in the proportion that the wages
15 covered by each plan bear to the total private plan wages involved
16 in such refunds, and shall assess against and recover from the
17 employer, or the insurer if the insurer has indemnified the employer
18 with respect thereto, the amount so prorated. The provisions of
19 R.S.43:21-14 with respect to collection of employer contributions
20 shall apply to such assessments. The amount so recovered by the
21 controller shall be paid into the State disability benefits fund.

22 (B) If an employee receives wages from more than one employer
23 during any calendar year, and the sum of his contributions deposited
24 in the "Family Temporary Disability Leave Account" of the State
25 disability benefits fund plus the amount of his contributions, if any,
26 required towards the costs of family temporary disability leave
27 benefits under one or more approved private plans under the
28 provisions of the "Temporary Disability Benefits Law" (C.43:21-25
29 et al.) and deducted from his wages, exceeds an amount equal to,
30 during calendar year 2009, 0.09% of the "wages" determined in
31 accordance with the provisions of R.S.43:21-7(b)(3), or during
32 calendar year 2010, 0.12% of those wages, or, during calendar year
33 2011 or any subsequent calendar year, the percentage of those
34 wages set by the annual rate of contribution determined by the
35 Commissioner of Labor and Workforce Development pursuant to
36 subparagraph (ii) of paragraph (1)(G) of this subsection (d), the
37 employee shall be entitled to a refund of the excess if he makes a
38 claim to the controller within two years after the end of the calendar
39 year in which the wages are received with respect to which the
40 refund is claimed and establishes his right to the refund. The refund
41 shall be made by the controller from the "Family Temporary
42 Disability Leave Account" of the State disability benefits fund. No
43 interest shall be allowed or paid with respect to any such refund.
44 The controller shall, in accordance with prescribed regulations,
45 determine the portion of the aggregate amount of the refunds made
46 during any calendar year which is applicable to private plans for
47 which deductions were made under section 9 of the "Temporary
48 Disability Benefits Law" (C.43:21-33), with that determination

1 based upon the ratio of the amount of such wages exempt from
2 contributions to the fund, as provided in paragraph (1)(B) of this
3 subsection (d) with respect to coverage under private plans, to the
4 total wages so exempt plus the amount of such wages subject to
5 contributions to the "Family Temporary Disability Leave Account"
6 of the State disability benefits fund, as provided in subparagraph (ii)
7 of paragraph (1)(G) of this subsection (d). The controller shall, in
8 accordance with prescribed regulations, prorate the amount so
9 determined among the applicable private plans in the proportion
10 that the wages covered by each plan bear to the total private plan
11 wages involved in such refunds, and shall assess against and
12 recover from the employer, or the insurer if the insurer has
13 indemnified the employer with respect thereto, the prorated amount.
14 The provisions of R.S.43:21-14 with respect to collection of
15 employer contributions shall apply to such assessments. The
16 amount so recovered by the controller shall be paid into the "Family
17 Temporary Disability Leave Account" of the State disability
18 benefits fund.

19 (4) If an individual does not receive any wages from the
20 employing unit which for the purposes of this chapter (R.S.43:21-1
21 et seq.) is treated as his employer, or receives his wages from some
22 other employing unit, such employer shall nevertheless be liable for
23 such individual's contributions in the first instance; and after
24 payment thereof such employer may deduct the amount of such
25 contributions from any sums payable by him to such employing
26 unit, or may recover the amount of such contributions from such
27 employing unit, or, in the absence of such an employing unit, from
28 such individual, in a civil action; provided proceedings therefor are
29 instituted within three months after the date on which such
30 contributions are payable. General rules shall be prescribed
31 whereby such an employing unit may recover the amount of such
32 contributions from such individuals in the same manner as if it were
33 the employer.

34 (5) Every employer who has elected to become an employer
35 subject to this chapter (R.S.43:21-1 et seq.), or to cease to be an
36 employer subject to this chapter (R.S.43:21-1 et seq.), pursuant to
37 the provisions of R.S.43:21-8, shall post and maintain printed
38 notices of such election on his premises, of such design, in such
39 numbers, and at such places as the director may determine to be
40 necessary to give notice thereof to persons in his service.

41 (6) Contributions by workers, payable to the controller as herein
42 provided, shall be exempt from garnishment, attachment, execution,
43 or any other remedy for the collection of debts.

44 (e) Contributions by employers to the State disability benefits
45 fund.

46 (1) Except as hereinafter provided, each employer shall, in
47 addition to the contributions required by subsections (a), (b), and
48 (c) of this section, contribute 1/2 of 1% of the wages paid by such

1 employer to workers with respect to employment unless he is not a
2 covered employer as defined in subsection (a) of section 3 of the
3 "Temporary Disability Benefits Law" (C.43:21-27 (a)), except that
4 the rate for the State of New Jersey shall be 1/10 of 1% for the
5 calendar year 1980 and for the first six months of 1981. Prior to
6 July 1, 1981 and prior to July 1 each year thereafter, the controller
7 shall review the experience accumulated in the account of the State
8 of New Jersey and establish a rate for the next following fiscal year
9 which, in combination with worker contributions, will produce
10 sufficient revenue to keep the account in balance; except that the
11 rate so established shall not be less than 1/10 of 1%. Such
12 contributions shall become due and be paid by the employer to the
13 controller for the State disability benefits fund as established by
14 law, in accordance with such regulations as may be prescribed, and
15 shall not be deducted, in whole or in part, from the remuneration of
16 individuals in his employ. In the payment of any contributions, a
17 fractional part of a cent shall be disregarded unless it amounts to
18 \$0.005 or more, in which case it shall be increased to \$0.01.

19 (2) During the continuance of coverage of a worker by an
20 approved private plan of disability benefits under the "Temporary
21 Disability Benefits Law," the employer shall be exempt from the
22 contributions required by paragraph (1) above with respect to wages
23 paid to such worker.

24 (3) (A) The rates of contribution as specified in paragraph (1)
25 above shall be subject to modification as provided herein with
26 respect to employer contributions due on and after July 1, 1951.

27 (B) A separate disability benefits account shall be maintained for
28 each employer required to contribute to the State disability benefits
29 fund and such account shall be credited with contributions
30 deposited in and credited to such fund with respect to employment
31 occurring on and after January 1, 1949. Each employer's account
32 shall be credited with all contributions paid on or before January 31
33 of any calendar year on his own behalf and on behalf of individuals
34 in his service with respect to employment occurring in preceding
35 calendar years; provided, however, that if January 31 of any
36 calendar year falls on a Saturday or Sunday an employer's account
37 shall be credited as of January 31 of such calendar year with all the
38 contributions which he has paid on or before the next succeeding
39 day which is not a Saturday or Sunday. But nothing in this act shall
40 be construed to grant any employer or individuals in his service
41 prior claims or rights to the amounts paid by him to the fund either
42 on his own behalf or on behalf of such individuals. Benefits paid to
43 any covered individual in accordance with Article III of the
44 "Temporary Disability Benefits Law" on or before December 31 of
45 any calendar year with respect to disability in such calendar year
46 and in preceding calendar years shall be charged against the account
47 of the employer by whom such individual was employed at the

1 commencement of such disability or by whom he was last
2 employed, if out of employment.

3 (C) The controller may prescribe regulations for the
4 establishment, maintenance, and dissolution of joint accounts by
5 two or more employers, and shall, in accordance with such
6 regulations and upon application by two or more employers to
7 establish such an account, or to merge their several individual
8 accounts in a joint account, maintain such joint account as if it
9 constituted a single employer's account.

10 (D) Prior to July 1 of each calendar year, the controller shall
11 make a preliminary determination of the rate of contribution for the
12 12 months commencing on such July 1 for each employer subject to
13 the contribution requirements of this subsection (e).

14 (1) Such preliminary rate shall be $\frac{1}{2}$ of 1% unless on the
15 preceding January 31 of such year such employer shall have been a
16 covered employer who has paid contributions to the State disability
17 benefits fund with respect to employment in the three calendar
18 years immediately preceding such year.

19 (2) If the minimum requirements in subparagraph (D) (1) above
20 have been fulfilled and the credited contributions exceed the
21 benefits charged by more than \$500.00, such preliminary rate shall
22 be as follows:

23 (i) $\frac{2}{10}$ of 1% if such excess over \$500.00 exceeds 1% but is
24 less than $1\frac{1}{4}\%$ of his average annual payroll as defined in this
25 chapter (R.S.43:21-1 et seq.);

26 (ii) $\frac{15}{100}$ of 1% if such excess over \$500.00 equals or exceeds
27 $1\frac{1}{4}\%$ but is less than $1\frac{1}{2}\%$ of his average annual payroll;

28 (iii) $\frac{1}{10}$ of 1% if such excess over \$500.00 equals or exceeds 1
29 $\frac{1}{2}\%$ of his average annual payroll.

30 (3) If the minimum requirements in subparagraph (D) (1) above
31 have been fulfilled and the contributions credited exceed the
32 benefits charged but by not more than \$500.00 plus 1% of his
33 average annual payroll, or if the benefits charged exceed the
34 contributions credited but by not more than \$500.00, the
35 preliminary rate shall be $\frac{1}{4}$ of 1%.

36 (4) If the minimum requirements in subparagraph (D) (1) above
37 have been fulfilled and the benefits charged exceed the
38 contributions credited by more than \$500.00, such preliminary rate
39 shall be as follows:

40 (i) $\frac{35}{100}$ of 1% if such excess over \$500.00 is less than $\frac{1}{4}$ of
41 1% of his average annual payroll;

42 (ii) $\frac{45}{100}$ of 1% if such excess over \$500.00 equals or exceeds
43 $\frac{1}{4}$ of 1% but is less than $\frac{1}{2}$ of 1% of his average annual payroll;

44 (iii) $\frac{55}{100}$ of 1% if such excess over \$500.00 equals or exceeds
45 $\frac{1}{2}$ of 1% but is less than $\frac{3}{4}$ of 1% of his average annual payroll;

46 (iv) $\frac{65}{100}$ of 1% if such excess over \$500.00 equals or exceeds
47 $\frac{3}{4}$ of 1% but is less than 1% of his average annual payroll;

1 (v) 75/100 of 1% if such excess over \$500.00 equals or exceeds
2 1% of his average annual payroll.

3 (5) Determination of the preliminary rate as specified in
4 subparagraphs (D)(2), (3) and (4) above shall be subject, however,
5 to the condition that it shall in no event be decreased by more than
6 1/10 of 1% of wages or increased by more than 2/10 of 1% of
7 wages from the preliminary rate determined for the preceding year
8 in accordance with subparagraph (D) (1), (2), (3) or (4), whichever
9 shall have been applicable.

10 (E) (1) Prior to July 1 of each calendar year the controller shall
11 determine the amount of the State disability benefits fund as of
12 December 31 of the preceding calendar year, increased by the
13 contributions paid thereto during January of the current calendar
14 year with respect to employment occurring in the preceding
15 calendar year. If such amount exceeds the net amount withdrawn
16 from the unemployment trust fund pursuant to section 23 of the
17 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-47)
18 plus the amount at the end of such preceding calendar year of the
19 unemployment disability account as defined in section 22 of said
20 law (C.43:21-46), such excess shall be expressed as a percentage of
21 the wages on which contributions were paid to the State disability
22 benefits fund on or before January 31 with respect to employment
23 in the preceding calendar year.

24 (2) The controller shall then make a final determination of the
25 rates of contribution for the 12 months commencing July 1 of such
26 year for employers whose preliminary rates are determined as
27 provided in subparagraph (D) hereof, as follows:

28 (i) If the percentage determined in accordance with
29 subparagraph (E)(1) of this paragraph equals or exceeds 1 1/4%, the
30 final employer rates shall be the preliminary rates determined as
31 provided in subparagraph (D) hereof, except that if the employer's
32 preliminary rate is determined as provided in subparagraph (D)(2)
33 or subparagraph (D)(3) hereof, the final employer rate shall be the
34 preliminary employer rate decreased by such percentage of excess
35 taken to the nearest 5/100 of 1%, but in no case shall such final rate
36 be less than 1/10 of 1%.

37 (ii) If the percentage determined in accordance with
38 subparagraph (E)(1) of this paragraph equals or exceeds 3/4 of 1%
39 and is less than 1 1/4 of 1%, the final employer rates shall be the
40 preliminary employer rates.

41 (iii) If the percentage determined in accordance with
42 subparagraph (E)(1) of this paragraph is less than 3/4 of 1%, but in
43 excess of 1/4 of 1%, the final employer rates shall be the
44 preliminary employer rates determined as provided in subparagraph
45 (D) hereof increased by the difference between 3/4 of 1% and such
46 percentage taken to the nearest 5/100 of 1%; provided, however,
47 that no such final rate shall be more than 1/4 of 1% in the case of an
48 employer whose preliminary rate is determined as provided in

1 subparagraph (D)(2) hereof, more than 1/2 of 1% in the case of an
2 employer whose preliminary rate is determined as provided in
3 subparagraph (D)(1) and subparagraph (D)(3) hereof, nor more than
4 3/4 of 1% in the case of an employer whose preliminary rate is
5 determined as provided in subparagraph (D)(4) hereof.

6 (iv) If the amount of the State disability benefits fund determined
7 as provided in subparagraph (E)(1) of this paragraph is equal to or
8 less than 1/4 of 1%, then the final rate shall be 2/5 of 1% in the case
9 of an employer whose preliminary rate is determined as provided in
10 subparagraph (D)(2) hereof, 7/10 of 1% in the case of an employer
11 whose preliminary rate is determined as provided in subparagraph
12 (D)(1) and subparagraph (D)(3) hereof, and 1.1% in the case of an
13 employer whose preliminary rate is determined as provided in
14 subparagraph (D)(4) hereof. Notwithstanding any other provision of
15 law or any determination made by the controller with respect to any
16 12-month period commencing on July 1, 1970, the final rates for all
17 employers for the period beginning January 1, 1971, shall be as set
18 forth herein.

19 (F) Notwithstanding any other provisions of this subsection (e),
20 the rate of contribution paid to the State disability benefits fund by
21 each covered employer as defined in paragraph (1) of subsection (a)
22 of section 3 of P.L.1948, c.110 (C.43:21-27), shall be determined as
23 if:

24 (i) No disability benefits have been paid with respect to periods
25 of family temporary disability leave;

26 (ii) No worker paid any contributions to the State disability
27 benefits fund pursuant to paragraph (1)(G)(ii) of subsection (d) of
28 this section; and

29 (iii) No amounts were transferred from the State disability
30 benefits fund to the "Family Temporary Disability Leave Account"
31 pursuant to paragraph (1)(G)(ii) of subsection (d) of this section.

32 (cf: P.L.2013, c.75, s.1)

33

34 2. This act shall take effect immediately.

35

36

37

STATEMENT

38

39 This bill, with respect to taxes paid by employees to the State
40 disability benefits fund and the "Family Temporary Disability
41 Leave Account" of that fund pursuant to the "Temporary Disability
42 Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.) and P.L.2008,
43 c.17 (C.43:21-39.1 et al.), changes the year for which total benefit
44 and administrative costs used to calculate the taxes from the most
45 recent calendar year to the most recent fiscal year, commencing
46 with the taxes paid by employees in calendar year 2018.

ASSEMBLY LABOR COMMITTEE

STATEMENT TO

SENATE, No. 3176

STATE OF NEW JERSEY

DATED: JUNE 5, 2017

The Assembly Labor Committee reports favorably Senate Bill No. 3176.

This bill, with respect to taxes paid by employees to the State disability benefits fund and the "Family Temporary Disability Leave Account" of that fund, changes the year for calculating total benefit and administrative costs used for the purpose of setting the tax rates from the most recent calendar year to the most recent fiscal year, commencing with the taxes paid by employees in calendar year 2018.

ASSEMBLY LABOR COMMITTEE

STATEMENT TO

SENATE, No. 3176

STATE OF NEW JERSEY

DATED: JUNE 5, 2017

The Assembly Labor Committee reports favorably Senate Bill No. 3176.

This bill, with respect to taxes paid by employees to the State disability benefits fund and the "Family Temporary Disability Leave Account" of that fund, changes the year for calculating total benefit and administrative costs used for the purpose of setting the tax rates from the most recent calendar year to the most recent fiscal year, commencing with the taxes paid by employees in calendar year 2018.

SENATE LABOR COMMITTEE

STATEMENT TO

SENATE, No. 3176

STATE OF NEW JERSEY

DATED: MAY 15, 2017

The Senate Labor Committee reports favorably Senate Bill No. 3176.

This bill, with respect to taxes paid by employees to the State disability benefits fund and the "Family Temporary Disability Leave Account" of that fund pursuant to the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.) and P.L.2008, c.17 (C.43:21-39.1 et al.), changes the year for which total benefit and administrative costs used to calculate the taxes from the most recent calendar year to the most recent fiscal year, commencing with the taxes paid by employees in calendar year 2018.

ASSEMBLY, No. 4898

STATE OF NEW JERSEY 217th LEGISLATURE

INTRODUCED JUNE 1, 2017

Sponsored by:

Assemblyman **RAJ MUKHERJI**

District 33 (Hudson)

Assemblyman **TROY SINGLETON**

District 7 (Burlington)

Co-Sponsored by:

Assemblyman **Coughlin**

SYNOPSIS

Changes year used to calculate TDI and FLI employee taxes from most recent calendar year to most recent fiscal year.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/23/2017)

1 AN ACT concerning the calculation of employee taxes for temporary
2 disability insurance and family leave insurance and amending
3 R.S.43:21-7.

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

7
8 1. R.S.43:21-7 is amended to read as follows:

9 43:21-7. Employers other than governmental entities, whose
10 benefit financing provisions are set forth in section 4 of P.L.1971,
11 c.346 (C.43:21-7.3), and those nonprofit organizations liable for
12 payment in lieu of contributions on the basis set forth in section 3 of
13 P.L.1971, c.346 (C.43:21-7.2), shall pay to the controller for the
14 unemployment compensation fund, contributions as set forth in
15 subsections (a), (b) and (c) hereof, and the provisions of subsections
16 (d) and (e) shall be applicable to all employers, consistent with the
17 provisions of the "unemployment compensation law" and the
18 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25
19 et al.).

20 (a) Payment.

21 (1) Contributions shall accrue and become payable by each
22 employer for each calendar year in which he is subject to this
23 chapter (R.S.43:21-1 et seq.), with respect to having individuals in
24 his employ during that calendar year, at the rates and on the basis
25 hereinafter set forth. Such contributions shall become due and be
26 paid by each employer to the controller for the fund, in accordance
27 with such regulations as may be prescribed, and shall not be
28 deducted, in whole or in part, from the remuneration of individuals
29 in his employ.

30 (2) In the payment of any contributions, a fractional part of a
31 cent shall be disregarded unless it amounts to \$0.005 or more, in
32 which case it shall be increased to \$0.01.

33 (b) Rate of contributions. Each employer shall pay the following
34 contributions:

35 (1) For the calendar year 1947, and each calendar year
36 thereafter, 2 7/10% of wages paid by him during each such calendar
37 year, except as otherwise prescribed by subsection (c) of this
38 section.

39 (2) The "wages" of any individual, with respect to any one
40 employer, as the term is used in this subsection (b) and in
41 subsections (c), (d) and (e) of this section 7, shall include the first
42 \$4,800.00 paid during calendar year 1975, for services performed
43 either within or without this State; provided that no contribution
44 shall be required by this State with respect to services performed in
45 another state if such other state imposes contribution liability with

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 respect thereto. If an employer (hereinafter referred to as a
2 successor employer) during any calendar year acquires substantially
3 all the property used in a trade or business of another employer
4 (hereinafter referred to as a predecessor), or used in a separate unit
5 of a trade or business of a predecessor, and immediately after the
6 acquisition employs in his trade or business an individual who
7 immediately prior to the acquisition was employed in the trade or
8 business of such predecessors, then, for the purpose of determining
9 whether the successor employer has paid wages with respect to
10 employment equal to the first \$4,800.00 paid during calendar year
11 1975, any wages paid to such individual by such predecessor during
12 such calendar year and prior to such acquisition shall be considered
13 as having been paid by such successor employer.

14 (3) For calendar years beginning on and after January 1, 1976,
15 the "wages" of any individual, as defined in the preceding
16 paragraph (2) of this subsection (b), shall be established and
17 promulgated by the Commissioner of Labor and Workforce
18 Development on or before September 1 of the preceding year and
19 shall be, 28 times the Statewide average weekly remuneration paid
20 to workers by employers, as determined under R.S.43:21-3(c),
21 raised to the next higher multiple of \$100.00 if not already a
22 multiple thereof, provided that if the amount of wages so
23 determined for a calendar year is less than the amount similarly
24 determined for the preceding year, the greater amount will be used;
25 provided, further, that if the amount of such wages so determined
26 does not equal or exceed the amount of wages as defined in
27 subsection (b) of section 3306 of the Internal Revenue Code of
28 1986 (26 U.S.C. s.3306(b)), the wages as determined in this
29 paragraph in any calendar year shall be raised to equal the amount
30 established under the "Federal Unemployment Tax Act," chapter 23
31 of the Internal Revenue Code of 1986 (26 U.S.C. s.3301 et seq.), for
32 that calendar year.

33 (c) Future rates based on benefit experience.

34 (1) A separate account for each employer shall be maintained
35 and this shall be credited with all the contributions which he has
36 paid on his own behalf on or before January 31 of any calendar year
37 with respect to employment occurring in the preceding calendar
38 year; provided, however, that if January 31 of any calendar year
39 falls on a Saturday or Sunday, an employer's account shall be
40 credited as of January 31 of such calendar year with all the
41 contributions which he has paid on or before the next succeeding
42 day which is not a Saturday or Sunday. But nothing in this chapter
43 (R.S.43:21-1 et seq.) shall be construed to grant any employer or
44 individuals in his service prior claims or rights to the amounts paid
45 by him into the fund either on his own behalf or on behalf of such
46 individuals. Benefits paid with respect to benefit years commencing
47 on and after January 1, 1953, to any individual on or before
48 December 31 of any calendar year with respect to unemployment in

1 such calendar year and in preceding calendar years shall be charged
2 against the account or accounts of the employer or employers in
3 whose employment such individual established base weeks
4 constituting the basis of such benefits, except that, with respect to
5 benefit years commencing after January 4, 1998, an employer's
6 account shall not be charged for benefits paid to a claimant if the
7 claimant's employment by that employer was ended in any way
8 which, pursuant to subsection (a), (b), (c), (f), (g) or (h) of
9 R.S.43:21-5, would have disqualified the claimant for benefits if the
10 claimant had applied for benefits at the time when that employment
11 ended. Benefits paid under a given benefit determination shall be
12 charged against the account of the employer to whom such
13 determination relates. When each benefit payment is made,
14 notification shall be promptly provided to each employer included
15 in the unemployment insurance monetary calculation of benefits.
16 Such notification shall identify the employer against whose account
17 the amount of such payment is being charged, shall show at least
18 the name and social security account number of the claimant and
19 shall specify the period of unemployment to which said benefit
20 payment applies.

21 An annual summary statement of unemployment benefits
22 charged to the employer's account shall be provided.

23 (2) Regulations may be prescribed for the establishment,
24 maintenance, and dissolution of joint accounts by two or more
25 employers, and shall, in accordance with such regulations and upon
26 application by two or more employers to establish such an account,
27 or to merge their several individual accounts in a joint account,
28 maintain such joint account as if it constituted a single employer's
29 account.

30 (3) No employer's rate shall be lower than 5.4% unless
31 assignment of such lower rate is consistent with the conditions
32 applicable to additional credit allowance for such year under section
33 3303(a)(1) of the Internal Revenue Code of 1986 (26 U.S.C.
34 s.3303(a)(1)), any other provision of this section to the contrary
35 notwithstanding.

36 (4) Employer Reserve Ratio. (A) Each employer's rate shall be 2
37 8/10%, except as otherwise provided in the following provisions.
38 No employer's rate for the 12 months commencing July 1 of any
39 calendar year shall be other than 2 8/10%, unless as of the
40 preceding January 31 such employer shall have paid contributions
41 with respect to wages paid in each of the three calendar years
42 immediately preceding such year, in which case such employer's
43 rate for the 12 months commencing July 1 of any calendar year
44 shall be determined on the basis of his record up to the beginning of
45 such calendar year. If, at the beginning of such calendar year, the
46 total of all his contributions, paid on his own behalf, for all past
47 years exceeds the total benefits charged to his account for all such
48 years, his contribution rate shall be:

- 1 (1) 2 5/10%, if such excess equals or exceeds 4%, but less than
2 5%, of his average annual payroll (as defined in paragraph (2),
3 subsection (a) of R.S.43:21-19);
- 4 (2) 2 2/10%, if such excess equals or exceeds 5%, but is less
5 than 6%, of his average annual payroll;
- 6 (3) 1 9/10%, if such excess equals or exceeds 6%, but is less
7 than 7%, of his average annual payroll;
- 8 (4) 1 6/10%, if such excess equals or exceeds 7%, but is less
9 than 8%, of his average annual payroll;
- 10 (5) 1 3/10%, if such excess equals or exceeds 8%, but is less
11 than 9%, of his average annual payroll;
- 12 (6) 1%, if such excess equals or exceeds 9%, but is less than
13 10%, of his average annual payroll;
- 14 (7) 7/10 of 1%, if such excess equals or exceeds 10%, but is less
15 than 11%, of his average annual payroll;
- 16 (8) 4/10 of 1%, if such excess equals or exceeds 11% of his
17 average annual payroll.
- 18 (B) If the total of an employer's contributions, paid on his own
19 behalf, for all past periods for the purposes of this paragraph (4), is
20 less than the total benefits charged against his account during the
21 same period, his rate shall be:
 - 22 (1) 4%, if such excess is less than 10% of his average annual
23 payroll;
 - 24 (2) 4 3/10%, if such excess equals or exceeds 10%, but is less
25 than 20%, of his average annual payroll;
 - 26 (3) 4 6/10%, if such excess equals or exceeds 20% of his
27 average annual payroll.
- 28 (C) Specially assigned rates.
 - 29 (i) If no contributions were paid on wages for employment in
30 any calendar year used in determining the average annual payroll of
31 an employer eligible for an assigned rate under this paragraph (4),
32 the employer's rate shall be specially assigned as follows:
 - 33 if the reserve balance in its account is positive, its assigned rate
34 shall be the highest rate in effect for positive balance accounts for
35 that period, or 5.4%, whichever is higher, and
 - 36 if the reserve balance in its account is negative, its assigned rate
37 shall be the highest rate in effect for deficit accounts for that period.
 - 38 (ii) If, following the purchase of a corporation with little or no
39 activity, known as a corporate shell, the resulting employing unit
40 operates a new or different business activity, the employing unit
41 shall be assigned a new employer rate.
 - 42 (iii) Entities operating under common ownership, management or
43 control, when the operation of the entities is not identifiable,
44 distinguishable and severable, shall be considered a single employer
45 for the purposes of this chapter (R.S.43:21-1 et seq.).
- 46 (D) The contribution rates prescribed by subparagraphs (A) and
47 (B) of this paragraph (4) shall be increased or decreased in

1 accordance with the provisions of paragraph (5) of this subsection
2 (c) for experience rating periods through June 30, 1986.

3 (5) (A) Unemployment Trust Fund Reserve Ratio. If on March
4 31 of any calendar year the balance in the unemployment trust fund
5 equals or exceeds 4% but is less than 7% of the total taxable wages
6 reported to the controller as of that date in respect to employment
7 during the preceding calendar year, the contribution rate, effective
8 July 1 following, of each employer eligible for a contribution rate
9 calculation based upon benefit experience, shall be increased by
10 $\frac{3}{10}$ of 1% over the contribution rate otherwise established under
11 the provisions of paragraph (3) or (4) of this subsection. If on
12 March 31 of any calendar year the balance of the unemployment
13 trust fund exceeds $2\frac{1}{2}\%$ but is less than 4% of the total taxable
14 wages reported to the controller as of that date in respect to
15 employment during the preceding calendar year, the contribution
16 rate, effective July 1 following, of each employer eligible for a
17 contribution rate calculation based upon benefit experience, shall be
18 increased by $\frac{6}{10}$ of 1% over the contribution rate otherwise
19 established under the provisions of paragraph (3) or (4) of this
20 subsection.

21 If on March 31 of any calendar year the balance of the
22 unemployment trust fund is less than $2\frac{1}{2}\%$ of the total taxable
23 wages reported to the controller as of that date in respect to
24 employment during the preceding calendar year, the contribution
25 rate, effective July 1 following, of each employer: (1) eligible for a
26 contribution rate calculation based upon benefit experience, shall be
27 increased by (i) $\frac{6}{10}$ of 1% over the contribution rate otherwise
28 established under the provisions of paragraph (3), (4)(A) or (4)(B)
29 of this subsection, and (ii) an additional amount equal to 20% of the
30 total rate established herein, provided, however, that the final
31 contribution rate for each employer shall be computed to the nearest
32 multiple of $\frac{1}{10}\%$ if not already a multiple thereof; (2) not eligible
33 for a contribution rate calculation based upon benefit experience,
34 shall be increased by $\frac{6}{10}$ of 1% over the contribution rate
35 otherwise established under the provisions of paragraph (4) of this
36 subsection. For the period commencing July 1, 1984 and ending
37 June 30, 1986, the contribution rate for each employer liable to pay
38 contributions under R.S.43:21-7 shall be increased by a factor of
39 10% computed to the nearest multiple of $\frac{1}{10}\%$ if not already a
40 multiple thereof.

41 (B) If on March 31 of any calendar year the balance in the
42 unemployment trust fund equals or exceeds 10% but is less than $12\frac{1}{2}\%$
43 of the total taxable wages reported to the controller as of that
44 date in respect to employment during the preceding calendar year,
45 the contribution rate, effective July 1 following, of each employer
46 eligible for a contribution rate calculation based upon benefit
47 experience, shall be reduced by $\frac{3}{10}$ of 1% under the contribution
48 rate otherwise established under the provisions of paragraphs (3)

1 and (4) of this subsection; provided that in no event shall the
 2 contribution rate of any employer be reduced to less than 4/10 of
 3 1%. If on March 31 of any calendar year the balance in the
 4 unemployment trust fund equals or exceeds 12 1/2% of the total
 5 taxable wages reported to the controller as of that date in respect to
 6 employment during the preceding calendar year, the contribution
 7 rate, effective July 1 following, of each employer eligible for a
 8 contribution rate calculation based upon benefit experience, shall be
 9 reduced by 6/10 of 1% if his account for all past periods reflects an
 10 excess of contributions paid over total benefits charged of 3% or
 11 more of his average annual payroll, otherwise by 3/10 of 1% under
 12 the contribution rate otherwise established under the provisions of
 13 paragraphs (3) and (4) of this subsection; provided that in no event
 14 shall the contribution rate of any employer be reduced to less than
 15 4/10 of 1%.

16 (C) The "balance" in the unemployment trust fund, as the term is
 17 used in subparagraphs (A) and (B) above, shall not include moneys
 18 credited to the State's account under section 903 of the Social
 19 Security Act, as amended (42 U.S.C. s.1103), during any period in
 20 which such moneys are appropriated for the payment of expenses
 21 incurred in the administration of the "unemployment compensation
 22 law."

23 (D) Prior to July 1 of each calendar year the controller shall
 24 determine the Unemployment Trust Fund Reserve Ratio, which
 25 shall be calculated by dividing the balance of the unemployment
 26 trust fund as of the prior March 31 by total taxable wages reported
 27 to the controller by all employers as of March 31 with respect to
 28 their employment during the last calendar year.

29 (E) (i) (Deleted by amendment, P.L.1997, c.263).

30 (ii) (Deleted by amendment, P.L.2001, c.152).

31 (iii) (Deleted by amendment, P.L.2003, c.107).

32 (iv) (Deleted by amendment, P.L.2004, c.45).

33 (v) (Deleted by amendment, P.L.2008, c.17).

34 (vi) (Deleted by amendment, P.L.2013, c.75).

35 (vii) With respect to experience rating years beginning on or
 36 after July 1, 2011, the new employer rate or the unemployment
 37 experience rate of an employer under this section shall be the rate
 38 which appears in the column headed by the Unemployment Trust
 39 Fund Reserve Ratio as of the applicable calculation date and on the
 40 line with the Employer Reserve Ratio, as defined in paragraph (4)
 41 of this subsection (R.S.43:21-7 (c)(4)), as set forth in the following
 42 table:

43 EXPERIENCE RATING TAX TABLE

	Fund Reserve Ratio ¹				
	3.50%	3.00%	2.5%	2.0%	1.99%
46 Employer	and	to	to	to	and
47 Reserve	Over	3.49%	2.99%	2.49%	Under
48 Ratio ²	A	B	C	D	E

1	Positive Reserve Ratio:					
2	17% and over	0.3	0.4	0.5	0.6	1.2
3	16.00% to 16.99%	0.4	0.5	0.6	0.6	1.2
4	15.00% to 15.99%	0.4	0.6	0.7	0.7	1.2
5	14.00% to 14.99%	0.5	0.6	0.7	0.8	1.2
6	13.00% to 13.99%	0.6	0.7	0.8	0.9	1.2
7	12.00% to 12.99%	0.6	0.8	0.9	1.0	1.2
8	11.00% to 11.99%	0.7	0.8	1.0	1.1	1.2
9	10.00% to 10.99%	0.9	1.1	1.3	1.5	1.6
10	9.00% to 9.99%	1.0	1.3	1.6	1.7	1.9
11	8.00% to 8.99%	1.3	1.6	1.9	2.1	2.3
12	7.00% to 7.99%	1.4	1.8	2.2	2.4	2.6
13	6.00% to 6.99%	1.7	2.1	2.5	2.8	3.0
14	5.00% to 5.99%	1.9	2.4	2.8	3.1	3.4
15	4.00% to 4.99%	2.0	2.6	3.1	3.4	3.7
16	3.00% to 3.99%	2.1	2.7	3.2	3.6	3.9
17	2.00% to 2.99%	2.2	2.8	3.3	3.7	4.0
18	1.00% to 1.99%	2.3	2.9	3.4	3.8	4.1
19	0.00% to 0.99%	2.4	3.0	3.6	4.0	4.3
20	Deficit Reserve Ratio:					
21	-0.00% to -2.99%	3.4	4.3	5.1	5.6	6.1
22	-3.00% to -5.99%	3.4	4.3	5.1	5.7	6.2
23	-6.00% to -8.99%	3.5	4.4	5.2	5.8	6.3
24	-9.00% to -11.99%	3.5	4.5	5.3	5.9	6.4
25	-12.00% to -14.99%	3.6	4.6	5.4	6.0	6.5
26	-15.00% to -19.99%	3.6	4.6	5.5	6.1	6.6
27	-20.00% to -24.99%	3.7	4.7	5.6	6.2	6.7
28	-25.00% to -29.99%	3.7	4.8	5.6	6.3	6.8
29	-30.00% to -34.99%	3.8	4.8	5.7	6.3	6.9
30	-35.00% and under	5.4	5.4	5.8	6.4	7.0
31	New Employer Rate	2.8	2.8	2.8	3.1	3.4

32 ¹Fund balance as of March 31 as a percentage of taxable wages
33 in the prior calendar year.

34 ²Employer Reserve Ratio (Contributions minus benefits as a
35 percentage of employer's taxable wages).

36 (F) (i) (Deleted by amendment, P.L.1997, c.263).

37 (ii) (Deleted by amendment, P.L.2008, c.17).

38 (iii) (Deleted by amendment, P.L.2013, c.75).

39 (iv) With respect to experience rating years beginning on or after
40 July 1, 2011 and before July 1, 2013, if the fund reserve ratio, based
41 on the fund balance as of the prior March 31, is less than 1.0%, the
42 contribution rate for each employer liable to pay contributions, as
43 computed under subparagraph (E) of this paragraph (5), shall be
44 increased by a factor of 10% computed to the nearest multiple of
45 1/10% if not already a multiple thereof.

46 (v) With respect to experience rating years beginning on or after
47 July 1, 2014, if the fund reserve ratio, based on the fund balance as
48 of the prior March 31, is less than 1.0%, the contribution rate for

1 each employer liable to pay contributions, as computed under
2 subparagraph (E) of this paragraph (5), shall be increased by a
3 factor of 10% computed to the nearest multiple of 1/10% if not
4 already a multiple thereof.

5 (G) On or after January 1, 1993, notwithstanding any other
6 provisions of this paragraph (5), the contribution rate for each
7 employer liable to pay contributions, as computed under
8 subparagraph (E) of this paragraph (5), shall be decreased by 0.1%,
9 except that, during any experience rating year starting before
10 January 1, 1998 in which the fund reserve ratio is equal to or greater
11 than 7.00% or during any experience rating year starting on or after
12 January 1, 1998, in which the fund reserve ratio is equal to or
13 greater than 3.5%, there shall be no decrease pursuant to this
14 subparagraph (G) in the contribution of any employer who has a
15 deficit reserve ratio of negative 35.00% or under.

16 (H) On and after January 1, 1998 until December 31, 2000 and
17 on or after January 1, 2002 until June 30, 2006, the contribution rate
18 for each employer liable to pay contributions, as computed under
19 subparagraph (E) of this paragraph (5), shall be decreased by a
20 factor, as set out below, computed to the nearest multiple of 1/10%,
21 except that, if an employer has a deficit reserve ratio of negative
22 35.0% or under, the employer's rate of contribution shall not be
23 reduced pursuant to this subparagraph (H) to less than 5.4%:

24 From January 1, 1998 until December 31, 1998, a factor of 12%;
25 From January 1, 1999 until December 31, 1999, a factor of 10%;
26 From January 1, 2000 until December 31, 2000, a factor of 7%;
27 From January 1, 2002 until March 31, 2002, a factor of 36%;
28 From April 1, 2002 until June 30, 2002, a factor of 85%;
29 From July 1, 2002 until June 30, 2003, a factor of 15%;
30 From July 1, 2003 until June 30, 2004, a factor of 15%;
31 From July 1, 2004 until June 30, 2005, a factor of 7%;
32 From July 1, 2005 until December 31, 2005, a factor of 16%; and
33 From January 1, 2006 until June 30, 2006, a factor of 34%.

34 The amount of the reduction in the employer contributions
35 stipulated by this subparagraph (H) shall be in addition to the
36 amount of the reduction in the employer contributions stipulated by
37 subparagraph (G) of this paragraph (5), except that the rate of
38 contribution of an employer who has a deficit reserve ratio of
39 negative 35.0% or under shall not be reduced pursuant to this
40 subparagraph (H) to less than 5.4% and the rate of contribution of
41 any other employer shall not be reduced to less than 0.0%.

42 (I) (Deleted by amendment, P.L.2008, c.17).

43 (J) On or after July 1, 2001, notwithstanding any other
44 provisions of this paragraph (5), the contribution rate for each
45 employer liable to pay contributions, as computed under
46 subparagraph (E) of this paragraph (5), shall be decreased by
47 0.0175%, except that, during any experience rating year starting on
48 or after July 1, 2001, in which the fund reserve ratio is equal to or

1 greater than 3.5%, there shall be no decrease pursuant to this
2 subparagraph (J) in the contribution of any employer who has a
3 deficit reserve ratio of negative 35.00% or under. The amount of the
4 reduction in the employer contributions stipulated by this
5 subparagraph (J) shall be in addition to the amount of the reduction
6 in the employer contributions stipulated by subparagraphs (G) and
7 (H) of this paragraph (5), except that the rate of contribution of an
8 employer who has a deficit reserve ratio of negative 35.0% or under
9 shall not be reduced pursuant to this subparagraph (J) to less than
10 5.4% and the rate of contribution of any other employer shall not be
11 reduced to less than 0.0%.

12 (K) With respect to experience rating years beginning on or after
13 July 1, 2009, if the fund reserve ratio, based on the fund balance as
14 of the prior March 31, is:

15 (i) Equal to or greater than 5.00% but less than 7.5%, the
16 contribution rate for each employer liable to pay contributions, as
17 computed under subparagraph (E) of this paragraph (5), shall be
18 reduced by a factor of 25% computed to the nearest multiple of
19 1/10% if not already a multiple thereof except that there shall be no
20 decrease pursuant to this subparagraph (K) in the contribution of
21 any employer who has a deficit reserve ratio of 35.00% or under;

22 (ii) Equal to or greater than 7.5%, the contribution rate for each
23 employer liable to pay contributions, as computed under
24 subparagraph (E) of this paragraph (5), shall be reduced by a factor
25 of 50% computed to the nearest multiple of 1/10% if not already a
26 multiple thereof except that there shall be no decrease pursuant to
27 this subparagraph (K) in the contribution of any employer who has
28 a deficit reserve ratio of 35.00% or under.

29 (L) Notwithstanding any other provision of this paragraph (5)
30 and notwithstanding the actual fund reserve ratio, the contribution
31 rate for employers liable to pay contributions, as computed under
32 subparagraph (E) of this paragraph (5), shall be, for fiscal year
33 2011, the rates set by column "C" of the table in that subparagraph.

34 (M) Notwithstanding any other provision of this paragraph (5)
35 and notwithstanding the actual fund reserve ratio, the contribution
36 rate for employers liable to pay contributions, as computed under
37 subparagraph (E) of this paragraph (5), shall be, for fiscal year
38 2012, the rates set by column "D" of the table in that subparagraph.

39 (N) Notwithstanding any other provision of this paragraph (5)
40 and notwithstanding the actual fund reserve ratio, the contribution
41 rate for employers liable to pay contributions, as computed under
42 subparagraph (E) of this paragraph (5), shall be, for fiscal year
43 2013, the rates set by column "E" of the table in that subparagraph.

44 (6) Additional contributions.

45 Notwithstanding any other provision of law, any employer who
46 has been assigned a contribution rate pursuant to subsection (c) of
47 this section for the year commencing July 1, 1948, and for any year
48 commencing July 1 thereafter, may voluntarily make payment of

1 additional contributions, and upon such payment shall receive a
2 recomputation of the experience rate applicable to such employer,
3 including in the calculation the additional contribution so made,
4 except that, following a transfer as described under R.S.43:21-
5 7(c)(7)(D), neither the predecessor nor successor in interest shall be
6 eligible to make a voluntary payment of additional contributions
7 during the year the transfer occurs and the next full calendar year.
8 Any such additional contribution shall be made during the 30-day
9 period following the notification to the employer of his contribution
10 rate as prescribed in this section, unless, for good cause, the time
11 for payment has been extended by the controller for not to exceed
12 an additional 60 days; provided that in no event may such payments
13 which are made later than 120 days after the beginning of the year
14 for which such rates are effective be considered in determining the
15 experience rate for the year in which the payment is made. Any
16 employer receiving any extended period of time within which to
17 make such additional payment and failing to make such payment
18 timely shall be, in addition to the required amount of additional
19 payment, liable for a penalty of 5% thereof or \$5.00, whichever is
20 greater, not to exceed \$50.00. Any adjustment under this subsection
21 shall be made only in the form of credits against accrued or future
22 contributions.

23 (7) Transfers.

24 (A) Upon the transfer of the organization, trade or business, or
25 substantially all the assets of an employer to a successor in interest,
26 whether by merger, consolidation, sale, transfer, descent or
27 otherwise, the controller shall transfer the employment experience
28 of the predecessor employer to the successor in interest, including
29 credit for past years, contributions paid, annual payrolls, benefit
30 charges, et cetera, applicable to such predecessor employer,
31 pursuant to regulation, if it is determined that the employment
32 experience of the predecessor employer with respect to the
33 organization, trade, assets or business which has been transferred
34 may be considered indicative of the future employment experience
35 of the successor in interest. The successor in interest may, within
36 four months of the date of such transfer of the organization, trade,
37 assets or business, or thereafter upon good cause shown, request a
38 reconsideration of the transfer of employment experience of the
39 predecessor employer. The request for reconsideration shall
40 demonstrate, to the satisfaction of the controller, that the
41 employment experience of the predecessor is not indicative of the
42 future employment experience of the successor.

43 (B) An employer who transfers part of his or its organization,
44 trade, assets or business to a successor in interest, whether by
45 merger, consolidation, sale, transfer, descent or otherwise, may
46 jointly make application with such successor in interest for transfer
47 of that portion of the employment experience of the predecessor
48 employer relating to the portion of the organization, trade, assets or

1 business transferred to the successor in interest, including credit for
2 past years, contributions paid, annual payrolls, benefit charges, et
3 cetera, applicable to such predecessor employer. The transfer of
4 employment experience may be allowed pursuant to regulation only
5 if it is found that the employment experience of the predecessor
6 employer with respect to the portion of the organization, trade,
7 assets or business which has been transferred may be considered
8 indicative of the future employment experience of the successor in
9 interest. Credit shall be given to the successor in interest only for
10 the years during which contributions were paid by the predecessor
11 employer with respect to that part of the organization, trade, assets
12 or business transferred.

13 (C) A transfer of the employment experience in whole or in part
14 having become final, the predecessor employer thereafter shall not
15 be entitled to consideration for an adjusted rate based upon his or its
16 experience or the part thereof, as the case may be, which has thus
17 been transferred. A successor in interest to whom employment
18 experience or a part thereof is transferred pursuant to this
19 subsection shall, as of the date of the transfer of the organization,
20 trade, assets or business, or part thereof, immediately become an
21 employer if not theretofore an employer subject to this chapter
22 (R.S.43:21-1 et seq.).

23 (D) If an employer transfers in whole or in part his or its
24 organization, trade, assets or business to a successor in interest,
25 whether by merger, consolidation, sale, transfer, descent or
26 otherwise and both the employer and successor in interest are at the
27 time of the transfer under common ownership, management or
28 control, then the employment experience attributable to the
29 transferred business shall also be transferred to and combined with
30 the employment experience of the successor in interest. The
31 transfer of the employment experience is mandatory and not subject
32 to appeal or protest.

33 (E) The transfer of part of an employer's employment experience
34 to a successor in interest shall become effective as of the first day of
35 the calendar quarter following the acquisition by the successor in
36 interest. As of the effective date, the successor in interest shall
37 have its employer rate recalculated by merging its existing
38 employment experience, if any, with the employment experience
39 acquired. If the successor in interest is not an employer as of the
40 date of acquisition, it shall be assigned the new employer rate until
41 the effective date of the transfer of employment experience.

42 (F) Upon the transfer in whole or in part of the organization,
43 trade, assets or business to a successor in interest, the employment
44 experience shall not be transferred if the successor in interest is not
45 an employer at the time of the acquisition and the controller finds
46 that the successor in interest acquired the business solely or
47 primarily for the purpose of obtaining a lower rate of contributions.

1 (d) Contributions of workers to the unemployment
2 compensation fund and the State disability benefits fund.

3 (1) (A) For periods after January 1, 1975, each worker shall
4 contribute to the fund 1% of his wages with respect to his
5 employment with an employer, which occurs on and after January
6 1, 1975, after such employer has satisfied the condition set forth in
7 subsection (h) of R.S.43:21-19 with respect to becoming an
8 employer; provided, however, that such contributions shall be at the
9 rate of 1/2 of 1% of wages paid with respect to employment while
10 the worker is in the employ of the State of New Jersey, or any
11 governmental entity or instrumentality which is an employer as
12 defined under R.S.43:21-19(h)(5), or is covered by an approved
13 private plan under the "Temporary Disability Benefits Law" or
14 while the worker is exempt from the provisions of the "Temporary
15 Disability Benefits Law" under section 7 of that law, P.L.1948,
16 c.110 (C.43:21-31).

17 (B) Effective January 1, 1978 there shall be no contributions by
18 workers in the employ of any governmental or nongovernmental
19 employer electing or required to make payments in lieu of
20 contributions unless the employer is covered by the State plan under
21 the "Temporary Disability Benefits Law" (C.43:21-25 et al.), and in
22 that case contributions shall be at the rate of 1/2 of 1%, except that
23 commencing July 1, 1986, workers in the employ of any
24 nongovernmental employer electing or required to make payments
25 in lieu of contributions shall be required to make contributions to
26 the fund at the same rate prescribed for workers of other
27 nongovernmental employers.

28 (C) (i) Notwithstanding the above provisions of this paragraph
29 (1), during the period starting July 1, 1986 and ending December
30 31, 1992, each worker shall contribute to the fund 1.125% of wages
31 paid with respect to his employment with a governmental employer
32 electing or required to pay contributions or nongovernmental
33 employer, including a nonprofit organization which is an employer
34 as defined under R.S.43:21-19(h)(6), regardless of whether that
35 nonprofit organization elects or is required to finance its benefit
36 costs with contributions to the fund or by payments in lieu of
37 contributions, after that employer has satisfied the conditions set
38 forth in subsection R.S.43:21-19(h) with respect to becoming an
39 employer. Contributions, however, shall be at the rate of 0.625%
40 while the worker is covered by an approved private plan under the
41 "Temporary Disability Benefits Law" or while the worker is exempt
42 under section 7 of that law, P.L.1948, c.110 (C.43:21-31) or any
43 other provision of that law; provided that such contributions shall
44 be at the rate of 0.625% of wages paid with respect to employment
45 with the State of New Jersey or any other governmental entity or
46 instrumentality electing or required to make payments in lieu of
47 contributions and which is covered by the State plan under the
48 "Temporary Disability Benefits Law," except that, while the worker

1 is exempt from the provisions of the "Temporary Disability Benefits
2 Law" under section 7 of that law, P.L.1948, c.110 (C.43:21-31) or
3 any other provision of that law, or is covered for disability benefits
4 by an approved private plan of the employer, the contributions to
5 the fund shall be 0.125%.

6 (ii) (Deleted by amendment, P.L.1995, c.422.)

7 (D) Notwithstanding any other provisions of this paragraph (1),
8 during the period starting January 1, 1993 and ending June 30,
9 1994, each worker shall contribute to the unemployment
10 compensation fund 0.5% of wages paid with respect to the worker's
11 employment with a governmental employer electing or required to
12 pay contributions or nongovernmental employer, including a
13 nonprofit organization which is an employer as defined under
14 paragraph (6) of subsection (h) of R.S.43:21-19, regardless of
15 whether that nonprofit organization elects or is required to finance
16 its benefit costs with contributions to the fund or by payments in
17 lieu of contributions, after that employer has satisfied the conditions
18 set forth in subsection (h) of R.S.43:21-19 with respect to becoming
19 an employer. No contributions, however, shall be made by the
20 worker while the worker is covered by an approved private plan
21 under the "Temporary Disability Benefits Law," P.L.1948, c.110
22 (C.43:21-25 et al.) or while the worker is exempt under section 7 of
23 P.L.1948, c.110 (C.43:21-31) or any other provision of that law;
24 provided that the contributions shall be at the rate of 0.50% of
25 wages paid with respect to employment with the State of New
26 Jersey or any other governmental entity or instrumentality electing
27 or required to make payments in lieu of contributions and which is
28 covered by the State plan under the "Temporary Disability Benefits
29 Law," except that, while the worker is exempt from the provisions
30 of the "Temporary Disability Benefits Law" under section 7 of that
31 law, P.L.1948, c.110 (C.43:21-31) or any other provision of that
32 law, or is covered for disability benefits by an approved private plan
33 of the employer, no contributions shall be made to the fund.

34 Each worker shall, starting on January 1, 1996 and ending March
35 31, 1996, contribute to the unemployment compensation fund
36 0.60% of wages paid with respect to the worker's employment with
37 a governmental employer electing or required to pay contributions
38 or nongovernmental employer, including a nonprofit organization
39 which is an employer as defined under paragraph (6) of subsection
40 (h) of R.S.43:21-19, regardless of whether that nonprofit
41 organization elects or is required to finance its benefit costs with
42 contributions to the fund or by payments in lieu of contributions,
43 after that employer has satisfied the conditions set forth in
44 subsection (h) of R.S.43:21-19 with respect to becoming an
45 employer, provided that the contributions shall be at the rate of
46 0.10% of wages paid with respect to employment with the State of
47 New Jersey or any other governmental entity or instrumentality
48 electing or required to make payments in lieu of contributions.

1 Each worker shall, starting on January 1, 1998 and ending
2 December 31, 1998, contribute to the unemployment compensation
3 fund 0.10% of wages paid with respect to the worker's employment
4 with a governmental employer electing or required to pay
5 contributions or nongovernmental employer, including a nonprofit
6 organization which is an employer as defined under paragraph (6)
7 of subsection (h) of R.S.43:21-19, regardless of whether that
8 nonprofit organization elects or is required to finance its benefit
9 costs with contributions to the fund or by payments in lieu of
10 contributions, after that employer has satisfied the conditions set
11 forth in subsection (h) of R.S.43:21-19 with respect to becoming an
12 employer, provided that the contributions shall be at the rate of
13 0.10% of wages paid with respect to employment with the State of
14 New Jersey or any other governmental entity or instrumentality
15 electing or required to make payments in lieu of contributions.

16 Each worker shall, starting on January 1, 1999 until December
17 31, 1999, contribute to the unemployment compensation fund
18 0.15% of wages paid with respect to the worker's employment with
19 a governmental employer electing or required to pay contributions
20 or nongovernmental employer, including a nonprofit organization
21 which is an employer as defined under paragraph (6) of subsection
22 (h) of R.S.43:21-19, regardless of whether that nonprofit
23 organization elects or is required to finance its benefit costs with
24 contributions to the fund or by payments in lieu of contributions,
25 after that employer has satisfied the conditions set forth in
26 subsection (h) of R.S.43:21-19 with respect to becoming an
27 employer, provided that the contributions shall be at the rate of
28 0.10% of wages paid with respect to employment with the State of
29 New Jersey or any other governmental entity or instrumentality
30 electing or required to make payments in lieu of contributions.

31 Each worker shall, starting on January 1, 2000 until December
32 31, 2001, contribute to the unemployment compensation fund
33 0.20% of wages paid with respect to the worker's employment with
34 a governmental employer electing or required to pay contributions
35 or nongovernmental employer, including a nonprofit organization
36 which is an employer as defined under paragraph (6) of subsection
37 (h) of R.S.43:21-19, regardless of whether that nonprofit
38 organization elects or is required to finance its benefit costs with
39 contributions to the fund or by payments in lieu of contributions,
40 after that employer has satisfied the conditions set forth in
41 subsection (h) of R.S.43:21-19 with respect to becoming an
42 employer, provided that the contributions shall be at the rate of
43 0.10% of wages paid with respect to employment with the State of
44 New Jersey or any other governmental entity or instrumentality
45 electing or required to make payments in lieu of contributions.

46 Each worker shall, starting on January 1, 2002 until June 30,
47 2004, contribute to the unemployment compensation fund 0.1825%
48 of wages paid with respect to the worker's employment with a

1 governmental employer electing or required to pay contributions or
2 a nongovernmental employer, including a nonprofit organization
3 which is an employer as defined under paragraph (6) of subsection
4 (h) of R.S.43:21-19, regardless of whether that nonprofit
5 organization elects or is required to finance its benefit costs with
6 contributions to the fund or by payments in lieu of contributions,
7 after that employer has satisfied the conditions set forth in
8 subsection (h) of R.S.43:21-19 with respect to becoming an
9 employer, provided that the contributions shall be at the rate of
10 0.0825% of wages paid with respect to employment with the State
11 of New Jersey or any other governmental entity or instrumentality
12 electing or required to make payments in lieu of contributions.

13 Each worker shall, starting on and after July 1, 2004, contribute
14 to the unemployment compensation fund 0.3825% of wages paid
15 with respect to the worker's employment with a governmental
16 employer electing or required to pay contributions or
17 nongovernmental employer, including a nonprofit organization
18 which is an employer as defined under paragraph (6) of subsection
19 (h) of R.S.43:21-19, regardless of whether that nonprofit
20 organization elects or is required to finance its benefit costs with
21 contributions to the fund or by payments in lieu of contributions,
22 after that employer has satisfied the conditions set forth in
23 subsection (h) of R.S.43:21-19 with respect to becoming an
24 employer, provided that the contributions shall be at the rate of
25 0.0825% of wages paid with respect to employment with the State
26 of New Jersey or any other governmental entity or instrumentality
27 electing or required to make payments in lieu of contributions.

28 (E) Each employer shall, notwithstanding any provision of law
29 in this State to the contrary, withhold in trust the amount of his
30 workers' contributions from their wages at the time such wages are
31 paid, shall show such deduction on his payroll records, shall furnish
32 such evidence thereof to his workers as the division or controller
33 may prescribe, and shall transmit all such contributions, in addition
34 to his own contributions, to the office of the controller in such
35 manner and at such times as may be prescribed. If any employer
36 fails to deduct the contributions of any of his workers at the time
37 their wages are paid, or fails to make a deduction therefor at the
38 time wages are paid for the next succeeding payroll period, he alone
39 shall thereafter be liable for such contributions, and for the purpose
40 of R.S.43:21-14, such contributions shall be treated as employer's
41 contributions required from him.

42 (F) As used in this chapter (R.S.43:21-1 et seq.), except when
43 the context clearly requires otherwise, the term "contributions" shall
44 include the contributions of workers pursuant to this section.

45 (G) (i) Each worker shall, starting on July 1, 1994 and ending on
46 December 31, 2011, contribute to the State disability benefits fund
47 an amount equal to 0.50% of wages paid with respect to the
48 worker's employment with a government employer electing or

1 required to pay contributions to the State disability benefits fund or
2 nongovernmental employer, including a nonprofit organization
3 which is an employer as defined under paragraph (6) of subsection
4 (h) of R.S.43:21-19, unless the employer is covered by an approved
5 private disability plan or is exempt from the provisions of the
6 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25
7 et al.) under section 7 of that law (C.43:21-31) or any other
8 provision of that law. Each worker, with respect to the worker's
9 employment with a government employer electing or required to
10 pay contributions to the State disability benefits fund or
11 nongovernmental employer, including a nonprofit organization
12 which is an employer as defined under paragraph (6) of subsection
13 (h) of R.S.43:21-19, unless the employer is covered by an approved
14 private disability plan or is exempt from the provisions of the
15 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25
16 et al.) under section 7 of that law (C.43:21-31) or any other
17 provision of that law, shall, for calendar year 2012 and each
18 subsequent calendar year, make contributions to the State disability
19 benefits fund at the annual rate of contribution necessary to obtain a
20 total amount of contributions, which, when added to employer
21 contributions made to the State disability benefits fund pursuant to
22 subsection (e) of this section, is, for calendar years prior to calendar
23 year 2018, equal to 120% of the benefits paid for periods of
24 disability, excluding periods of family temporary disability, during
25 the immediately preceding calendar year plus an amount equal to
26 100% of the cost of administration of the payment of those benefits
27 during the immediately preceding calendar year, less the amount of
28 net assets remaining in the State disability benefits fund, excluding
29 net assets remaining in the "Family Temporary Disability Leave
30 Account" of that fund, as of December 31 of the immediately
31 preceding year, and is, for calendar year 2018 and subsequent
32 calendar years, equal to 120% of the benefits paid for periods of
33 disability, excluding periods of family temporary disability, during
34 the last preceding full fiscal year plus an amount equal to 100% of
35 the cost of administration of the payment of those benefits during
36 the last preceding full fiscal year, less the amount of net assets
37 anticipated to be remaining in the "Family Temporary Disability
38 Leave Account" of that fund, as of December 31 of the immediately
39 preceding calendar year. The estimated rates for the next calendar
40 year shall be made available on the department's website no later
41 than 60 days after the end of the last preceding full fiscal year. The
42 rates of employer contributions determined pursuant to subsection
43 (e) of this section for any year shall be determined prior to the
44 determination of the rate of employee contributions pursuant to this
45 subparagraph (i) and any consideration of employee contributions in
46 determining employer rates for any year shall be based on amounts
47 of employee contributions made prior to the year to which the rate
48 of employee contributions applies and shall not be based on any

1 projection or estimate of the amount of employee contributions for
2 the year to which that rate applies.

3 (ii) Each worker shall contribute to the State disability benefits
4 fund, in addition to any amount contributed pursuant to
5 subparagraph (i) of this paragraph (1)(G), an amount equal to,
6 during calendar year 2009, 0.09%, and during calendar year 2010
7 0.12%, of wages paid with respect to the worker's employment with
8 any covered employer, including a governmental employer which is
9 an employer as defined under R.S.43:21-19(h)(5), unless the
10 employer is covered by an approved private disability plan for
11 benefits during periods of family temporary disability leave. The
12 contributions made pursuant to this subparagraph (ii) to the State
13 disability benefits fund shall be deposited into an account of that
14 fund reserved for the payment of benefits during periods of family
15 temporary disability leave as defined in section 3 of the "Temporary
16 Disability Benefits Law," P.L.1948, c.110 (C.43:21-27) and for the
17 administration of those payments and shall not be used for any other
18 purpose. This account shall be known as the "Family Temporary
19 Disability Leave Account." For calendar year 2011 and each
20 subsequent calendar year, the annual rate of contribution to be paid
21 by workers pursuant to this subparagraph (ii) shall be, for calendar
22 years prior to calendar year 2018, the rate necessary to obtain a total
23 amount of contributions equal to 125% of the benefits paid for
24 periods of family temporary disability leave during the immediately
25 preceding calendar year plus an amount equal to 100% of the cost
26 of administration of the payment of those benefits during the
27 immediately preceding calendar year, less the amount of net assets
28 remaining in the account as of December 31 of the immediately
29 preceding year, and shall be, for calendar year 2018 and subsequent
30 calendar years, the rate necessary to obtain a total amount of
31 contributions equal to 125% of the benefits paid for periods of
32 family temporary disability leave during the last preceding full
33 fiscal year plus an amount equal to 100% of the cost of
34 administration of the payment of those benefits during the last
35 preceding full fiscal year, less the amount of net assets anticipated
36 to be remaining in the account as of December 31 of the
37 immediately preceding calendar year. The estimated rates for the
38 next calendar year shall be made available on the department's
39 website no later than 60 days after the end of the last preceding full
40 fiscal year. Necessary administrative costs shall include the cost of
41 an outreach program to inform employees of the availability of the
42 benefits and the cost of issuing the reports required or permitted
43 pursuant to section 13 of P.L.2008, c.17 (C.43:21-39.4). No
44 monies, other than the funds in the "Family Temporary Disability
45 Leave Account," shall be used for the payment of benefits during
46 periods of family temporary disability leave or for the
47 administration of those payments, with the sole exception that,
48 during calendar years 2008 and 2009, a total amount not exceeding

1 \$25 million may be transferred to that account from the revenues
2 received in the State disability benefits fund pursuant to
3 subparagraph (i) of this paragraph (1)(G) and be expended for those
4 payments and their administration, including the administration of
5 the collection of contributions made pursuant to this subparagraph
6 (ii) and any other necessary administrative costs. Any amount
7 transferred to the account pursuant to this subparagraph (ii) shall be
8 repaid during a period beginning not later than January 1, 2011 and
9 ending not later than December 31, 2015. No monies, other than the
10 funds in the "Family Temporary Disability Leave Account," shall
11 be used under any circumstances after December 31, 2009, for the
12 payment of benefits during periods of family temporary disability
13 leave or for the administration of those payments, including for the
14 administration of the collection of contributions made pursuant to
15 this subparagraph (ii).

16 (2) (A) (Deleted by amendment, P.L.1984, c.24.)

17 (B) (Deleted by amendment, P.L.1984, c.24.)

18 (C) (Deleted by amendment, P.L.1994, c.112.)

19 (D) (Deleted by amendment, P.L.1994, c.112.)

20 (E) (i) (Deleted by amendment, P.L.1994, c.112.)

21 (ii) (Deleted by amendment, P.L.1996, c.28.)

22 (iii) (Deleted by amendment, P.L.1994, c.112.)

23 (3) (A) If an employee receives wages from more than one
24 employer during any calendar year, and either the sum of his
25 contributions deposited in and credited to the State disability
26 benefits fund plus the amount of his contributions, if any, required
27 towards the costs of benefits under one or more approved private
28 plans under the provisions of section 9 of the "Temporary Disability
29 Benefits Law" (C.43:21-33) and deducted from his wages, or the
30 sum of such latter contributions, if the employee is covered during
31 such calendar year only by two or more private plans, exceeds an
32 amount equal to 1/2 of 1% of the "wages" determined in accordance
33 with the provisions of R.S.43:21-7(b)(3) during the calendar years
34 beginning on or after January 1, 1976 or, during calendar year 2012
35 or any subsequent calendar year, the total amount of his
36 contributions for the year exceeds the amount set by the annual rate
37 of contribution determined by the Commissioner of Labor and
38 Workforce Development pursuant to subparagraph (i) of paragraph
39 (1)(G) of this subsection (d), the employee shall be entitled to a
40 refund of the excess if he makes a claim to the controller within two
41 years after the end of the calendar year in which the wages are
42 received with respect to which the refund is claimed and establishes
43 his right to such refund. Such refund shall be made by the controller
44 from the State disability benefits fund. No interest shall be allowed
45 or paid with respect to any such refund. The controller shall, in
46 accordance with prescribed regulations, determine the portion of the
47 aggregate amount of such refunds made during any calendar year
48 which is applicable to private plans for which deductions were

1 made under section 9 of the "Temporary Disability Benefits Law"
2 (C.43:21-33) such determination to be based upon the ratio of the
3 amount of such wages exempt from contributions to such fund, as
4 provided in subparagraph (B) of paragraph (1) of this subsection
5 with respect to coverage under private plans, to the total wages so
6 exempt plus the amount of such wages subject to contributions to
7 the disability benefits fund, as provided in subparagraph (G) of
8 paragraph (1) of this subsection. The controller shall, in accordance
9 with prescribed regulations, prorate the amount so determined
10 among the applicable private plans in the proportion that the wages
11 covered by each plan bear to the total private plan wages involved
12 in such refunds, and shall assess against and recover from the
13 employer, or the insurer if the insurer has indemnified the employer
14 with respect thereto, the amount so prorated. The provisions of
15 R.S.43:21-14 with respect to collection of employer contributions
16 shall apply to such assessments. The amount so recovered by the
17 controller shall be paid into the State disability benefits fund.

18 (B) If an employee receives wages from more than one employer
19 during any calendar year, and the sum of his contributions deposited
20 in the "Family Temporary Disability Leave Account" of the State
21 disability benefits fund plus the amount of his contributions, if any,
22 required towards the costs of family temporary disability leave
23 benefits under one or more approved private plans under the
24 provisions of the "Temporary Disability Benefits Law" (C.43:21-25
25 et al.) and deducted from his wages, exceeds an amount equal to,
26 during calendar year 2009, 0.09% of the "wages" determined in
27 accordance with the provisions of R.S.43:21-7(b)(3), or during
28 calendar year 2010, 0.12% of those wages, or, during calendar year
29 2011 or any subsequent calendar year, the percentage of those
30 wages set by the annual rate of contribution determined by the
31 Commissioner of Labor and Workforce Development pursuant to
32 subparagraph (ii) of paragraph (1)(G) of this subsection (d), the
33 employee shall be entitled to a refund of the excess if he makes a
34 claim to the controller within two years after the end of the calendar
35 year in which the wages are received with respect to which the
36 refund is claimed and establishes his right to the refund. The refund
37 shall be made by the controller from the "Family Temporary
38 Disability Leave Account" of the State disability benefits fund. No
39 interest shall be allowed or paid with respect to any such refund.
40 The controller shall, in accordance with prescribed regulations,
41 determine the portion of the aggregate amount of the refunds made
42 during any calendar year which is applicable to private plans for
43 which deductions were made under section 9 of the "Temporary
44 Disability Benefits Law" (C.43:21-33), with that determination
45 based upon the ratio of the amount of such wages exempt from
46 contributions to the fund, as provided in paragraph (1)(B) of this
47 subsection (d) with respect to coverage under private plans, to the
48 total wages so exempt plus the amount of such wages subject to

1 contributions to the "Family Temporary Disability Leave Account"
2 of the State disability benefits fund, as provided in subparagraph (ii)
3 of paragraph (1)(G) of this subsection (d). The controller shall, in
4 accordance with prescribed regulations, prorate the amount so
5 determined among the applicable private plans in the proportion
6 that the wages covered by each plan bear to the total private plan
7 wages involved in such refunds, and shall assess against and
8 recover from the employer, or the insurer if the insurer has
9 indemnified the employer with respect thereto, the prorated amount.
10 The provisions of R.S.43:21-14 with respect to collection of
11 employer contributions shall apply to such assessments. The
12 amount so recovered by the controller shall be paid into the "Family
13 Temporary Disability Leave Account" of the State disability
14 benefits fund.

15 (4) If an individual does not receive any wages from the
16 employing unit which for the purposes of this chapter (R.S.43:21-1
17 et seq.) is treated as his employer, or receives his wages from some
18 other employing unit, such employer shall nevertheless be liable for
19 such individual's contributions in the first instance; and after
20 payment thereof such employer may deduct the amount of such
21 contributions from any sums payable by him to such employing
22 unit, or may recover the amount of such contributions from such
23 employing unit, or, in the absence of such an employing unit, from
24 such individual, in a civil action; provided proceedings therefor are
25 instituted within three months after the date on which such
26 contributions are payable. General rules shall be prescribed
27 whereby such an employing unit may recover the amount of such
28 contributions from such individuals in the same manner as if it were
29 the employer.

30 (5) Every employer who has elected to become an employer
31 subject to this chapter (R.S.43:21-1 et seq.), or to cease to be an
32 employer subject to this chapter (R.S.43:21-1 et seq.), pursuant to
33 the provisions of R.S.43:21-8, shall post and maintain printed
34 notices of such election on his premises, of such design, in such
35 numbers, and at such places as the director may determine to be
36 necessary to give notice thereof to persons in his service.

37 (6) Contributions by workers, payable to the controller as herein
38 provided, shall be exempt from garnishment, attachment, execution,
39 or any other remedy for the collection of debts.

40 (e) Contributions by employers to the State disability benefits
41 fund.

42 (1) Except as hereinafter provided, each employer shall, in
43 addition to the contributions required by subsections (a), (b), and
44 (c) of this section, contribute 1/2 of 1% of the wages paid by such
45 employer to workers with respect to employment unless he is not a
46 covered employer as defined in subsection (a) of section 3 of the
47 "Temporary Disability Benefits Law" (C.43:21-27 (a)), except that
48 the rate for the State of New Jersey shall be 1/10 of 1% for the

1 calendar year 1980 and for the first six months of 1981. Prior to
2 July 1, 1981 and prior to July 1 each year thereafter, the controller
3 shall review the experience accumulated in the account of the State
4 of New Jersey and establish a rate for the next following fiscal year
5 which, in combination with worker contributions, will produce
6 sufficient revenue to keep the account in balance; except that the rate
7 so established shall not be less than 1/10 of 1%. Such
8 contributions shall become due and be paid by the employer to the
9 controller for the State disability benefits fund as established by
10 law, in accordance with such regulations as may be prescribed, and
11 shall not be deducted, in whole or in part, from the remuneration of
12 individuals in his employ. In the payment of any contributions, a
13 fractional part of a cent shall be disregarded unless it amounts to
14 \$0.005 or more, in which case it shall be increased to \$0.01.

15 (2) During the continuance of coverage of a worker by an
16 approved private plan of disability benefits under the "Temporary
17 Disability Benefits Law," the employer shall be exempt from the
18 contributions required by paragraph (1) above with respect to wages
19 paid to such worker.

20 (3) (A) The rates of contribution as specified in paragraph (1)
21 above shall be subject to modification as provided herein with
22 respect to employer contributions due on and after July 1, 1951.

23 (B) A separate disability benefits account shall be maintained for
24 each employer required to contribute to the State disability benefits
25 fund and such account shall be credited with contributions
26 deposited in and credited to such fund with respect to employment
27 occurring on and after January 1, 1949. Each employer's account
28 shall be credited with all contributions paid on or before January 31
29 of any calendar year on his own behalf and on behalf of individuals
30 in his service with respect to employment occurring in preceding
31 calendar years; provided, however, that if January 31 of any
32 calendar year falls on a Saturday or Sunday an employer's account
33 shall be credited as of January 31 of such calendar year with all the
34 contributions which he has paid on or before the next succeeding
35 day which is not a Saturday or Sunday. But nothing in this act shall
36 be construed to grant any employer or individuals in his service
37 prior claims or rights to the amounts paid by him to the fund either
38 on his own behalf or on behalf of such individuals. Benefits paid to
39 any covered individual in accordance with Article III of the
40 "Temporary Disability Benefits Law" on or before December 31 of
41 any calendar year with respect to disability in such calendar year
42 and in preceding calendar years shall be charged against the account
43 of the employer by whom such individual was employed at the
44 commencement of such disability or by whom he was last
45 employed, if out of employment.

46 (C) The controller may prescribe regulations for the
47 establishment, maintenance, and dissolution of joint accounts by
48 two or more employers, and shall, in accordance with such

1 regulations and upon application by two or more employers to
2 establish such an account, or to merge their several individual
3 accounts in a joint account, maintain such joint account as if it
4 constituted a single employer's account.

5 (D) Prior to July 1 of each calendar year, the controller shall
6 make a preliminary determination of the rate of contribution for the
7 12 months commencing on such July 1 for each employer subject to
8 the contribution requirements of this subsection (e).

9 (1) Such preliminary rate shall be $\frac{1}{2}$ of 1% unless on the
10 preceding January 31 of such year such employer shall have been a
11 covered employer who has paid contributions to the State disability
12 benefits fund with respect to employment in the three calendar
13 years immediately preceding such year.

14 (2) If the minimum requirements in subparagraph (D) (1) above
15 have been fulfilled and the credited contributions exceed the
16 benefits charged by more than \$500.00, such preliminary rate shall
17 be as follows:

18 (i) $\frac{2}{10}$ of 1% if such excess over \$500.00 exceeds 1% but is
19 less than $1\frac{1}{4}$ % of his average annual payroll as defined in this
20 chapter (R.S.43:21-1 et seq.);

21 (ii) $\frac{15}{100}$ of 1% if such excess over \$500.00 equals or exceeds
22 $1\frac{1}{4}$ % but is less than $1\frac{1}{2}$ % of his average annual payroll;

23 (iii) $\frac{1}{10}$ of 1% if such excess over \$500.00 equals or exceeds 1
24 $\frac{1}{2}$ % of his average annual payroll.

25 (3) If the minimum requirements in subparagraph (D) (1) above
26 have been fulfilled and the contributions credited exceed the
27 benefits charged but by not more than \$500.00 plus 1% of his
28 average annual payroll, or if the benefits charged exceed the
29 contributions credited but by not more than \$500.00, the
30 preliminary rate shall be $\frac{1}{4}$ of 1%.

31 (4) If the minimum requirements in subparagraph (D) (1) above
32 have been fulfilled and the benefits charged exceed the
33 contributions credited by more than \$500.00, such preliminary rate
34 shall be as follows:

35 (i) $\frac{35}{100}$ of 1% if such excess over \$500.00 is less than $\frac{1}{4}$ of
36 1% of his average annual payroll;

37 (ii) $\frac{45}{100}$ of 1% if such excess over \$500.00 equals or exceeds
38 $\frac{1}{4}$ of 1% but is less than $\frac{1}{2}$ of 1% of his average annual payroll;

39 (iii) $\frac{55}{100}$ of 1% if such excess over \$500.00 equals or exceeds
40 $\frac{1}{2}$ of 1% but is less than $\frac{3}{4}$ of 1% of his average annual payroll;

41 (iv) $\frac{65}{100}$ of 1% if such excess over \$500.00 equals or exceeds
42 $\frac{3}{4}$ of 1% but is less than 1% of his average annual payroll;

43 (v) $\frac{75}{100}$ of 1% if such excess over \$500.00 equals or exceeds
44 1% of his average annual payroll.

45 (5) Determination of the preliminary rate as specified in
46 subparagraphs (D)(2), (3) and (4) above shall be subject, however,
47 to the condition that it shall in no event be decreased by more than
48 $\frac{1}{10}$ of 1% of wages or increased by more than $\frac{2}{10}$ of 1% of

1 wages from the preliminary rate determined for the preceding year
2 in accordance with subparagraph (D) (1), (2), (3) or (4), whichever
3 shall have been applicable.

4 (E) (1) Prior to July 1 of each calendar year the controller shall
5 determine the amount of the State disability benefits fund as of
6 December 31 of the preceding calendar year, increased by the
7 contributions paid thereto during January of the current calendar
8 year with respect to employment occurring in the preceding
9 calendar year. If such amount exceeds the net amount withdrawn
10 from the unemployment trust fund pursuant to section 23 of the
11 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-47)
12 plus the amount at the end of such preceding calendar year of the
13 unemployment disability account as defined in section 22 of said
14 law (C.43:21-46), such excess shall be expressed as a percentage of
15 the wages on which contributions were paid to the State disability
16 benefits fund on or before January 31 with respect to employment
17 in the preceding calendar year.

18 (2) The controller shall then make a final determination of the
19 rates of contribution for the 12 months commencing July 1 of such
20 year for employers whose preliminary rates are determined as
21 provided in subparagraph (D) hereof, as follows:

22 (i) If the percentage determined in accordance with
23 subparagraph (E)(1) of this paragraph equals or exceeds $1\frac{1}{4}\%$, the
24 final employer rates shall be the preliminary rates determined as
25 provided in subparagraph (D) hereof, except that if the employer's
26 preliminary rate is determined as provided in subparagraph (D)(2)
27 or subparagraph (D)(3) hereof, the final employer rate shall be the
28 preliminary employer rate decreased by such percentage of excess
29 taken to the nearest $\frac{5}{100}$ of 1%, but in no case shall such final rate
30 be less than $\frac{1}{10}$ of 1%.

31 (ii) If the percentage determined in accordance with
32 subparagraph (E)(1) of this paragraph equals or exceeds $\frac{3}{4}$ of 1%
33 and is less than $1\frac{1}{4}$ of 1%, the final employer rates shall be the
34 preliminary employer rates.

35 (iii) If the percentage determined in accordance with
36 subparagraph (E)(1) of this paragraph is less than $\frac{3}{4}$ of 1%, but in
37 excess of $\frac{1}{4}$ of 1%, the final employer rates shall be the
38 preliminary employer rates determined as provided in subparagraph
39 (D) hereof increased by the difference between $\frac{3}{4}$ of 1% and such
40 percentage taken to the nearest $\frac{5}{100}$ of 1%; provided, however,
41 that no such final rate shall be more than $\frac{1}{4}$ of 1% in the case of an
42 employer whose preliminary rate is determined as provided in
43 subparagraph (D)(2) hereof, more than $\frac{1}{2}$ of 1% in the case of an
44 employer whose preliminary rate is determined as provided in
45 subparagraph (D)(1) and subparagraph (D)(3) hereof, nor more than
46 $\frac{3}{4}$ of 1% in the case of an employer whose preliminary rate is
47 determined as provided in subparagraph (D)(4) hereof.

1 (iv) If the amount of the State disability benefits fund determined
2 as provided in subparagraph (E)(1) of this paragraph is equal to or
3 less than 1/4 of 1%, then the final rate shall be 2/5 of 1% in the case
4 of an employer whose preliminary rate is determined as provided in
5 subparagraph (D)(2) hereof, 7/10 of 1% in the case of an employer
6 whose preliminary rate is determined as provided in subparagraph
7 (D)(1) and subparagraph (D)(3) hereof, and 1.1% in the case of an
8 employer whose preliminary rate is determined as provided in
9 subparagraph (D)(4) hereof. Notwithstanding any other provision of
10 law or any determination made by the controller with respect to any
11 12-month period commencing on July 1, 1970, the final rates for all
12 employers for the period beginning January 1, 1971, shall be as set
13 forth herein.

14 (F) Notwithstanding any other provisions of this subsection (e),
15 the rate of contribution paid to the State disability benefits fund by
16 each covered employer as defined in paragraph (1) of subsection (a)
17 of section 3 of P.L.1948, c.110 (C.43:21-27), shall be determined as
18 if:

19 (i) No disability benefits have been paid with respect to periods
20 of family temporary disability leave;

21 (ii) No worker paid any contributions to the State disability
22 benefits fund pursuant to paragraph (1)(G)(ii) of subsection (d) of
23 this section; and

24 (iii) No amounts were transferred from the State disability
25 benefits fund to the "Family Temporary Disability Leave Account"
26 pursuant to paragraph (1)(G)(ii) of subsection (d) of this section.

27 (cf: P.L.2013, c.75, s.1)

28

29 2. This act shall take effect immediately.

30

31

32

STATEMENT

33

34 This bill, with respect to taxes paid by employees to the State
35 disability benefits fund and the "Family Temporary Disability
36 Leave Account" of that fund pursuant to the "Temporary Disability
37 Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.) and P.L.2008,
38 c.17 (C.43:21-39.1 et al.), changes the year for which total benefit
39 and administrative costs used to calculate the taxes from the most
40 recent calendar year to the most recent fiscal year, commencing
41 with the taxes paid by employees in calendar year 2018.

ASSEMBLY LABOR COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4898

STATE OF NEW JERSEY

DATED: JUNE 5, 2017

The Assembly Labor Committee reports favorably Assembly Bill No. 4898.

This bill, with respect to taxes paid by employees to the State disability benefits fund and the "Family Temporary Disability Leave Account" of that fund, changes the year for calculating total benefit and administrative costs used for the purpose of setting the tax rates from the most recent calendar year to the most recent fiscal year, commencing with the taxes paid by employees in calendar year 2018.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4898

STATE OF NEW JERSEY

DATED: JUNE 19, 2017

The Assembly Appropriations Committee reports favorably Assembly Bill No. 4898.

This bill changes the period of time used to calculate the amount of annual contributions that workers are required to pay towards Temporary Disability Insurance and Family Leave Insurance.

Under this bill, the method used to determine the annual amount of required contribution by a worker shifts from a calculation based on the benefits paid in the prior *calendar* year to a calculation based on the benefits paid in the prior *fiscal* year.

Annual contributions to the State disability benefits fund will be equal to 120 percent of the benefits paid for periods of disability for the prior full fiscal year plus administrative costs, less the amount of net assets anticipated to be remaining in the fund. Likewise, the annual contributions to the Family Temporary Disability Leave Account will be equal to 125 percent of the benefits paid for family temporary disability leave during the prior full fiscal year plus administrative costs, less the amount of net assets anticipated to be remaining in the account.

The Department of Labor and Workforce Development is required to publish on its website the estimated rates for the next calendar year no later than 60 days after the end of the last preceding full fiscal year. This change becomes effective beginning calendar year 2018.

As reported, this bill is identical to Senate Bill No. 3176, as also reported by the committee.

FISCAL IMPACT:

This bill was not certified as requiring a fiscal note.

Governor Christie Takes Action on Pending Legislation

Friday, July 21, 2017

Tags: [Bill Action](#)

Trenton, NJ – Governor Chris Christie today took action on dozens of bills, including S-359/A-2320 (Codey, Vitale/Vainieri Huttle, Conaway, Jimenez, Lampitt, Jasey, Sumter), which raises the minimum age from 19 to 21 of a person to whom a vendor may sell, offer for sale, distribute, give or furnish tobacco products in New Jersey. This new law also amends various related statues concerning penalties, fines, signage requirements, non-face-to-face transactions, and enforcement provisions to reflect the increased minimum age.

"By raising the minimum age to purchase tobacco products to 21, we are giving young people more time to develop a maturity and better understanding of how dangerous smoking can be and that it is better to not start smoking in the first place," Governor Christie said. "My mother died from the effects of smoking, and no one should lose their life due to any addictive substance. Additionally, the less people who develop costly tobacco habits that can cause health problems, such as lung cancer, heart disease and developmental issues, the less strain there will be on our healthcare system."

Governor Christie also took action on pending legislation related to:

Further Addressing the Opioid Epidemic

Governor Christie signed four bills that continue New Jersey's leadership role in fighting the national opioid epidemic. The legislation that requires the Department of Human Services develop, maintain, and post on their website daily information about the number of open beds available in facilities in the state for people in need of mental health or substance use disorder treatment; help inform parents of student athletes and cheerleaders about the use and misuse of prescription opioids; allows hospice programs to accept the unused prescription medicines of their hospice patients for safe disposal and implements the use of current-day, sensitive terminology when referring to persons with substance use disorders or certain disabilities.

- **A-1662/S-2466 (Schaer, Vainieri Huttle, Coughlin, McKnight, Mukherji/Vitale, Allen)** - Requires development and maintenance of data dashboard report to advise of open bed availability in residential facilities providing behavioral health services
- **A-3944/S-2402 (Mazzeo, Lagana, Vainieri Huttle, Benson, Caride, Wimberly/Diegnan, Vitale)** - Requires DOE to develop educational fact sheet for distribution to parents of student-athletes and cheerleaders concerning use and misuse of prescription opioids
- **S-2970/A-4522 (Vitale, Diegnan/Lampitt, Vainieri Huttle, Jimenez)** - Allows hospice care programs to accept unused prescription medications for disposal under certain circumstances
- **S-2721/ACS for A-926 (Vitale, Whelan/Vainieri Huttle, Benson, Tucker, Eustace, McKnight, Mosquera)** - Implements person-first language and changes pejorative terminology referring to persons with certain disabilities or substance use disorders

Protecting and Preserving the Environment

The Governor also signed several bills to protect people and improve the quality of life by strengthening New Jersey's environment.

"These new laws will create more open space preservation opportunities, green energy solutions and safeguards to ensure quality drinking water for all New Jerseyans," Governor Christie said. "They provide greater flexibility for counties and municipalities to use the roughly \$270 million open space tax dollars they collect each year for the intended mission of protecting New Jersey's environment, improving communities with more recreation and

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conservation, and preventing overcrowding of our towns and schools. They also ensure reliable, sustainable and safe environmental infrastructure across the state, by investing nearly \$100 million in critical projects this year."

- **A-1645/S-195 (Schaer, Webber, Dancer, Pintor Marin/Kyrillos, Smith)** - Expands definition of "acquisition," for purposes of county and municipal open space trust funds, to include demolition, removal of debris, and restoration of lands being acquired
- **S-3352/A-5045 (Ruiz, Bateman/Oliver, Chaparro, Singleton, Lagana, Bramnick, Vainieri Huttie, Zwicker)** - Appropriates \$71,700,224 from constitutionally dedicated CBT revenues and various Green Acres funds to DEP for local government open space acquisition and park development projects
- **S-3353/A-5046 (Greenstein, Thompson/Eustace, Land, Mukherji, Schaer, Bramnick, Vainieri Huttie, Wimberly)** - Appropriates \$12.3 million from constitutionally dedicated CBT revenues for recreation and conservation purposes to DEP for State capital and park development projects
- **S-3354/A-5044 (Gordon, Allen/McKeon, Mazzeo, Muoio, Moriarty, Bramnick, Zwicker, Vainieri Huttie)** - Appropriates \$8,992,898 to DEP from constitutionally dedicated CBT revenues and various Green Acres funds for grants to certain nonprofit entities to acquire or develop lands for recreation and conservation purposes
- **S-3240/A-4996 (Greenstein, Codey/Mukherji, Mazzeo, Schaer, Holley, Land)** - Authorizes NJ Environmental Infrastructure Trust to expend certain sums to make loans for environmental infrastructure projects for FY2018
- **CC for S-3241/A-4998 (Smith, Codey/Eustace, Muoio, Moriarty, Conaway, Andrzejczak)** - Appropriates funds to DEP for environmental infrastructure projects for FY2018
- **S-3242/A-4997 (Gordon, Oroho/McKeon, Prieto)** - Clarifies procedures for approval of environmental and transportation infrastructure projects
- **S-3181/A-4756 (Smith, Diegnan/DeAngelo, Eustace, Gusciora)** - Permits solar electric power generation facility projects not having commenced commercial operation to retain designation through May 31, 2018 as connected to distribution system
- **S-2834/A-4569 (Sweeney, Greenstein, Bateman/Eustace, Karabinchak, McKeon, Vainieri Huttie, Benson, Muoio)** - The "Water Quality Accountability Act"; imposes certain testing, reporting, management, and infrastructure investment requirements on water purveyors

Governor Christie also took action on the following bills:

BILL SIGNINGS:

S-5/A-4925 (Vitale, Sweeney/Conaway, O'Scanlon, Houghtaling, Quijano, Giblin, DeAngelo, Munoz, Mukherji, A.M. Bucco) - Establishes data reporting requirements for emergency medical services providers and dispatch centers

SS SCS SCS for S-291, 652, 1954/ACS for A-1464 (Vitale, Whelan, Allen, Turner/Lampitt, Coughlin, Conaway, Vainieri Huttie, Lagana, Mukherji, Moriarty) - Authorizes health care providers to engage in telemedicine and telehealth

S-742/A-1205 (Beach/Mosquera, Holley, Wimberly, Jones) - Requires board of education to enter into agreement with law enforcement authorities regarding access to live video streams of public school buildings

S-1295/A-3701 (Vitale/Eustace, Munoz) - Amends and repeals sections of "Respiratory Care Practitioner Licensing Act"

S-1315/A-1839 (Vitale/Giblin, Wimberly, McKeon, Mukherji, Sumter) - Revises statutes regarding practice of physical therapy

S-1840/A-2085 (Ruiz, Gill/Mukherji, Oliver, McKnight) - Prohibits charging fee to stop publishing personal identifying information obtained through the criminal justice system

S-1913/A-2794 (Addiego, Greenstein/Lagana, Moriarty, Mukherji, Downey) - "Personal Information and Privacy Protection Act"; restricts collection and use of personal information by retail establishments for certain purposes

S-2058/A-671 (T. Kean, Pou/Munoz, Giblin, Mukherji, Moriarty) - Adds two nurse educators to the New Jersey Board of Nursing

S-2331/A-3962 (Codey, Vitale/Jasey, McKeon, Vainieri Huttie, Munoz, Mukherji, Mosquera, Lampitt) - Establishes tuition reimbursement program for certain psychiatrists who work in underserved areas or psychiatric hospitals in New Jersey

CC S-2403/A-3717 (Rice, Turner/Sumter, Vainieri Huttie, Lampitt, Downey) - Establishes Women's Vocational Training Pilot Program to promote economic self-sufficiency of low-income women through increased participation in high-wage, high-demand occupations; authorizes allocation of certain funds therefor

S-2452/A-4007 (Diegnan, Stack/Houghtaling, Downey, Mosquera, Mazzeo) - Requires Director of Division of Taxation to promulgate Property Taxpayer Bill of Rights

S-2577/A-4238 (Cunningham, Ruiz, Gordon/Sumter, Jasey, Muoio, Lagana, Downey, Benson) - Requires Higher Education Student Assistance Authority to provide annual New Jersey College Loans to Assist State Students Loan Program report to Governor and Legislature and develop student loan comparison information document to increase program transparency

S-2618/A-4691 (Cunningham, Pou/Caride, McKeon, Jasey, Giblin) - Requires institutions of higher education to enter into collective Statewide reverse transfer agreement

S-2819/A-4363 (Sweeney, Ruiz, Lesniak/Taliaferro, Andrzejczak, Lampitt, Mosquera, Holley, Quijano) - Creates "Nourishing Young Minds Initiative Fund" in Dept. of Agriculture to help pay for child food and nutrition programs

S-3027/A-4631 (Smith, Greenstein/Lampitt, Quijano, Eustace, Kennedy, Benson, Muoio, Zwicker, Mukherji) - Establishes State food waste reduction goal of 50 percent by 2030

S-3067/A-4652 (Ruiz, Vitale/Vainieri Huttie, Caride, Eustace, Jasey, Wimberly, Gusciora) - Requires Commissioner of Education to develop guidelines for school districts regarding transgender students

S-3176/A-4898 (Madden/Mukherji, Singleton) - Changes year used to calculate TDI and FLI employee taxes from most recent calendar year to most recent fiscal year

S-3191/A-3370 (Sweeney, Bateman/Burzichelli, Jones) - Extends voting rights of representatives of sending districts on receiving district board of education

S-3219/A-4859 (Sweeney, T. Kean, Greenstein, Holzapfel/Vainieri Huttie, Prieto, Downey) - Establishes additional penalties related to child pornography and expands crime to include portrayal of child in sexual manner; establishes crime of leader of child pornography network

S-3331/A-5039 (Cruz-Perez/Jones) - Authorizes State Treasurer to sell surplus real property in City of Camden, County of Camden to Camden County Improvement Authority

SJR-105/AJR-157 (Diegnan, Cruz-Perez, Sweeney/Pinkin, Karabinchak, Coughlin) - Designates August 29, 2017 as Governor James Florio Day in New Jersey

SJR-113/AJR-165 (Gordon/Vainieri Huttie, Chiaravalloti) - Clarifies intent of law subjecting PANYNJ to open public records and freedom of information laws in New Jersey and New York

A-222/S-2171 (DeAngelo, Giblin, Singleton, Holley, Benson/Bateman, Greenstein, Stack) - "New Jersey Library Construction Bond Act"; authorizes issuance of \$125,000,000 in general obligation bonds to finance capital projects at public libraries; appropriates \$5,000

A-373/S-607 (Auth, Vainieri Huttie, McGuckin, Schepisi, Peterson, Jimenez/Addiego, A.R. Bucco) - Requires life imprisonment without parole for persons convicted of the murder of a minor under the age of 18 in the course of the commission of a sex crime

A-555/S-1847 (Pinkin, Eustace/Diegnan) - Revises statutes concerning incorporation and governance of the Protestant Episcopal Church to remove gender-specific references

A-621/S-2328 (Lagana, Greenwald, Moriarty, Mosquera, Mukherji/Cruz-Perez, Turner) - Permits bowling alleys, including alleys licensed to sell alcoholic beverages, to conduct amusement games

A-1458/S-2449 (Lampitt, Mosquera, Downey, Singleton, Vainieri Huttie/Vitale, Ruiz) - Requires health care professionals engaged in prenatal care to provide parents of newborns with information on health insurance coverage for newborn children

A-1761/S-332 (Eustace, Mukherji, Gusciora/Scutari, Bateman) - Creates fencing crime involving stolen domestic companion animals

A-2060/S-2333 (Gusciora, Sumter, Oliver, Jasey, McKnight/Cruz-Perez, Turner) - Establishes process for consideration of offers from short sale buyers during residential mortgage foreclosures

A-2221/S-2453 (Benson, Russo, DeAngelo, A.M. Bucco/Diegnan, Greenstein) - Allows gross income taxpayers to use returns to make voluntary contributions to the Boy Scouts of America Councils in New Jersey

A-2441/S-2910 (Eustace, Gusciora, Kennedy, Mazzeo, Mukherji/Gordon, Turner) - Authorizes the Unclaimed Property Administrator to verify certain governmental debts before delivering abandoned property

A-2926/S-3197 (Greenwald, Vainieri Huttie, Schaer, Mukherji, Holley, Mosquera, Muoio, Sumter, Mazzeo/Cruz-Perez, Cunningham) - Repeals law suspending certain licenses, registrations and certifications for failure to repay student loans

A-2993/S-1305 (Conaway, Pinkin, Sumter, Wimberly, McKnight, Mukherji/Vitale, Madden) - Requires Medicaid coverage for diabetes self-management education, training, services, and equipment for patients diagnosed with diabetes, gestational diabetes, and pre-diabetes

A-3347/S-2242 (Wolfe, Holley, Jasey, McKnight, Wimberly/Diegnan) - Establishes New Jersey School Safety Specialist Academy in Department of Education and requires school districts to designate school safety specialist

A-3438/S-1564 (DeAngelo, Danielsens, Holley, Houghtaling, Downey, Wimberly, Quijano/Turner, Beach) - Requires initial determination of unemployment benefits to be made within three weeks of filing of claim

A-3463/S-2038 (Coughlin/Vitale, Codey) - Updates references to DOC and DHS and refers to persons receiving services from DHS

A-3686/S-2423 (McKeon, Jasey, Munoz, Vainieri Huttie, A.M. Bucco/Codey, Oroho) - Establishes new crime of strict liability vehicular homicide; renames existing vehicular homicide as reckless vehicular homicide; designated as Ralph and David's Law

A-4011/S-2887 (Jones, Barclay, Moriarty, Mosquera, Greenwald, Lampitt, Mazzeo, Chiaravalloti/Cruz-Perez, Beach) - Designates USS New Jersey as New Jersey State Ship

A-4081/S-2662 (Lampitt, Vainieri Huttle, Benson, Wimberly, Greenwald/Allen, Sweeney) - "Charlie's Law"; Establishes civil penalties for persons who interfere with or deny persons with disabilities accompanied by service or guide dogs access to places of public accommodation

A-4088/S-2567 (Schaer, Jasey, Benson, Wimberly/Cruz-Perez, Singer) - Establishes "High School to College Readiness Commission" to examine issues and develop recommendations to enhance student preparation for postsecondary education

A-4175/S-2808 (Caride, McKnight, Holley, Pintor Marin, Wimberly/Ruiz, Turner) -Requires Commissioner of Education to develop guidance on identifying English language learners for gifted and talented programs

A-4246/S-3194 (Dancer/Lesniak, Beck) - Decreases annual thoroughbred race dates to 50 minimum upon written consent from New Jersey Thoroughbred Horsemen's Association

A-4317/S-3206 (Prieto, Giblin/Diegnan) - Concerns violations of certain occupational licensing laws

A-4568/S-3017 (Vainieri Huttle, Eustace, Pinkin, Jasey, Johnson/Vitale, Ruiz) - Prohibits health insurers, SHBP, SEHBP, certain health care providers, and Medicaid from discriminating in providing coverage and services based on gender identity

A-4875/S-1996 (Muio, Gusciora/Beach, Van Drew) - Requires gubernatorial candidates' statements be posted online

A-4969/S-3281 (Oliver, Giblin, Jasey, McKnight, Schaer, Wimberly/Gill, Cunningham) - Establishes Montclair State University as public research university

ACS for A-4994/S-3314 (McKeon, Burzichelli, Singleton, Caride/Sarlo, Oroho) - Requires certain State and local government agency employees with access to federal tax information to undergo criminal history background checks

AJR-37/SJR-67 (Mosquera, Chaparro/Weinberg) - Designates June 21 of each year as "ASK Day" to promote children's health and gun safety

ACS for AJR-54/SJR-104 (Benson, Mosquera, Chiaravalloti, Holley, McKnight, Wimberly/Sweeney, Beach) - Designates April 2nd of each year as "World Autism Awareness Day"

AJR-72/SJR-31 (Gove, Rumpf, A.M. Bucco, Holley/A.R. Bucco) - Designates September 17 through September 23 of each year as "Constitution Week"

AJR-115/SJR-81 (Vainieri Huttle, Lampitt, Giblin, Benson/Diegnan, A.R. Bucco) - Designates third Friday in September of every year as Concussion Awareness Day

AJR-126/SJR-85 (Dancer, DeAngelo, Munoz, A.M. Bucco, Mukherji, Houghtaling, Downey/Allen, Madden) - Commemorates establishment and service of the New Jersey State Police and celebrates 95th anniversary of first graduating class

AJR-137/SJR-102 (Mazzeo/Whelan) - Urges United States President Trump, members of his administration, and Congress to oppose measures and actions to prohibit states from authorizing and conducting Internet gaming

BILLS VETOED:

SCS for S-1297, 1990/A-3751 (Vitale, Sweeney/Jasey, Coughlin) - **CONDITIONAL** - Permits candidates for school board to circulate petitions jointly and be bracketed together on ballot; permits short nonpolitical designation of principles on petitions and ballots

A-31/S-3315 (Prieto, Muio, Oliver, Schaer, Holley, Mukherji, Quijano, Wimberly, Pintor Marin/Vitale, Cruz-Perez) - **ABSOLUTE** - Increases amount of benefits under Work First New Jersey program by 30 percent over three years and according to Social Security cost of living increases thereafter

A-33/S-3316 (Muio, Vainieri Huttle, Mukherji, Oliver, Gusciora, Pintor Marin/Vitale, Cruz-Perez) - **ABSOLUTE** - Repeals family cap in Work First New Jersey program

A-320/S-1018 (Singleton, Vainieri Huttle, Munoz, Moriarty, Lampitt, Sumter, Mukherji/Weinberg, Cruz-Perez) - **CONDITIONAL** - Establishes minimum Medicaid reimbursement rate for personal care services

A-1139/S-2616 (Holley, McKnight, Munoz, Kennedy, Mukherji, Pintor Marin, Wimberly/Ruiz, Vitale) - **CONDITIONAL** - Prohibits sale of unsafe supplemental mattresses designed for children's products

A-2297/S-659 (Vainieri Huttle, Sumter, Mukherji, Caride, Downey, Zwicker, Wimberly/Turner, Allen) - **CONDITIONAL** - Requires health insurance coverage for contraceptives to include prescriptions for 12 months

A-3338/S-862 (Eustace, Lagana, Vainieri Huttle, Muio, Mukherji, Benson, Jimenez, Giblin, Moriarty, Lampitt/Stack, Weinberg) - **CONDITIONAL** - Dedicates one percent of cigarette and other tobacco products tax revenues to anti-smoking initiatives

ACS for A-3480, 4119/S-2536 (Downey, Lampitt, Schaer, Houghtaling, Benson, Singleton, Muio, DeAngelo/Gill, Weinberg) - **ABSOLUTE** - Concerns employer inquiries about worker's wage and salary experience

A-4253/S-2634 (Quijano, Mukherji, Vainieri Huttle, Eustace, Jones, McKeon/Weinberg, Diegnan) - CONDITIONAL - Establishes "New Jersey Nonprofit Security Grant Pilot Program"; appropriates \$3,000,000 over next three fiscal years

A-4453/S-2881 (Downey, Houghtaling/Ruiz) – CONDITIONAL - Requires pupils who reside on certain federal property to enroll in resident school district in accordance with schedule determined by executive county superintendent of schools

A-4496/S-2977 (Wimberly, Sumter, Lampitt/Lesniak) – CONDITIONAL - "Healthy Small Food Retailer Act"; provides funding to small food retailers to sell fresh and nutritious food; appropriates \$1 million

A-4587/SCS for S-2574 (Quijano, Vainieri Huttle, Mukherji, Giblin/Diegnan, Sarlo) – ABSOLUTE - Imposes State sales and use tax and hotel and motel occupancy fee on transient accommodations; authorizes various municipal taxes and fees on transient accommodations

A-4870/S-3226 (Prieto, Oliver, Quijano, Pintor Marin, Schaer, Vainieri Huttle, Eustace/Ruiz, Sweeney, Greenstein) – ABSOLUTE - "Safe Transportation Jobs and Fair Employment Rules Act"

ACS for A-4927/SCS for S-3085 (Prieto, Oliver, Gusciora, Jasey/Sweeney, Diegnan, Ruiz) – CONDITIONAL - Revises law concerning family leave, temporary disability and family temporary disability leave, and domestic or sexual violence safety leave

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