

43:21-3,4

LEGISLATIVE NOTES ON R.S. 43:21-3 and 43:21-4
(Unemployment compensation)

R.S. 43:21-3 amended 1938, c.396
1939, c.74, s.1 ✓
1940, c.247, ss. 1, 4 (See 1941, c.114, ss. 1, 2)
1945, c.72 (C.43:21-3, 2)
1948, c.110, s.19
1950, c.172, ss. 1, 5
1952, c.187, ss. 1, 9
1954, c. 203, s. 1

R.S. 43:21-4 amended 1940, c.247, ss. 2, 4
1941, c.114, ss. 1, 2
1947, c.35, s. 1
1948, c.110, s. 20
1950, c. 172, ss. 2, 5
1952, c. 187, ss. 2, 9

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Trenton, N. J.

Senate Bill No. 372 (C.94)

Introduced by Mr. Foran

May 22, 1939

STATEMENT

The purpose of this act is to amend the New Jersey Unemployment Compensation Law in order to bring it into conformity with the Federal Railroad Unemployment Insurance Act so that there will be no inconsistencies between these laws at the time the Railroad Unemployment Insurance Act becomes effective on July 1, 1939.

Senate Bill No.197 (C. 114)

Introduced by Mr. Wilensky

March 10, 1941

STATEMENT

The changes proposed are for the purpose of clarifying the law in its technical aspects and carrying out recommendations of the Federal Social Security Board.

Senate Bill No. 78 (C.72)

Introduced by Mr. Sholl

Jan. 29, 1945

STATEMENT

The purpose of this bill is to effectuate liberalization of the unemployment compensation benefit formula, in accordance with the program outlined in the Governor's First Annual Message to the Legislature (January 9, 1945). Various changes follow the recommendations of the second report of the Commission on Post-War Economic Welfare, submitted January 29, 1945.

ASSEMBLY BILL NO. 255 (C. 35)

Introduced March 10, 1947

By Mr. Loutrel

STATEMENT

The purpose of this legislation is to bring the provisions of the New Jersey Unemployment Compensation Law into conformity with the Federal Act in levying an unemployment contribution tax upon the first \$3,000 of earnings paid to an individual by an employer during a calendar year, regardless of the year of employment. Contribution liability to the Federal Government, by a recent Federal amendment, accrues on a paid basis, while such liability accrues to the State on a payable basis. This amendment will not only bring the two laws into harmony one with the other but will also enable employers to make identical wage reports to both jurisdictions and to make up reporting forms in one operation.

Under the present Federal law, the employer reports and pays contributions to the Federal Government on the first \$3,000 of wages paid to an individual, no matter where earned. As the State law now stands, New Jersey must exact contributions with respect to the first \$3,000 earned in the State, no matter how much the same individual has earned with the same employer in any other State or States. The proposed amendment will cure this situation by recognizing earnings in other States in the same year with the same employer, and will again bring the State law, State reporting and State paying into conformity with the Federal act.

ASSEMBLY BILL NO. 474

(C. 109)

Introduced March 31, 1947

By Mr. Brescher

STATEMENT

This bill would carry out the recommendations of the Legislative Memorandum on Cash Sickness Benefits, submitted to the Governor and the Legislature March 31, 1947.

Memorandum mentioned in this statement found at:

*974.90 Cash sickness benefits: supplement
U55 to the fourth report of the State
1947 Commission on Post-War Economic
Welfare.*

STATE OF NEW JERSEY

LEGISLATIVE MEMORANDUM,

Cash Sickness Benefits.

SUPPLEMENT TO THE FOURTH REPORT
OF THE STATE COMMISSION ON
POST-WAR ECONOMIC WELFARE,

(April 9, 1946)

[Laws of 1943
Chapter 192
as amended]

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A Report to the 171st Legislature, Submitted at the Request
of Governor Alfred E. Driscoll

TRENTON, NEW JERSEY

MARCH 31, 1947

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State of New Jersey
STATE COMMISSION ON POST-WAR
ECONOMIC WELFARE

[Laws of 1943, ch. 192, as amended by Laws of 1944, ch. 94]

HOWARD EASTWOOD, *Chairman*

Justice of the New Jersey Supreme Court

By Appointment of the Speaker of the Assembly

By Appointment of the President of
the Senate

HARRY L. DERBY, *President*
American Cyanamid and Chemical
Corporation

HOWARD M. DOWN, *Treasurer*
Borough of Vineland

JOHN G. SHOLL,
Secretary and Supervisor, Migrant
Labor Division, State Dept. of Labor

GEORGE H. STANGER, *Lawyer*
Senator, Cumberland County

By Appointment of the Speaker of
the Assembly

DOMINIC A. CAVICCHIA,
Deputy Attorney-General

FRED W. EHRLICH, *President*
Automotive Equipment Company

CORNELIUS L. KORT,
State Director, Apprentice-Training
Service, U. S. Dept. of Labor

JOHN W. ZIMMERMANN, *General*
Manager

Cronk Manufacturing Company
Assemblyman, Middlesex County

By Appointment of the Governor

ALFRED B. LITTELL
Senator, Sussex County

ROSCOE P. MCCLAVE
Bergen County Engineer

MILTON MANN, *Secretary*

STAFF AGENCY

Princeton Surveys, Princeton University

JOHN F. SLY, *Professor of Politics*
and Director, Princeton Surveys

WILLIAM MILLER
Director of Research

JAMES A. ARNOLD, JR.
Statistical Consultant

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His Excellency Go
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¹ *Inaugural Address,*
pp. 15-16.

LETTER OF TRANSMITTAL

NEW JERSEY COMMISSION ON POST-WAR ECONOMIC WELFARE

STATE HOUSE, TRENTON, NEW JERSEY

March 31, 1947.

*His Excellency Governor Alfred E. Driscoll and Members of the
One Hundred and Seventy-first Legislature:*

There is submitted herewith a legislative memorandum as a supplement to the fourth report of the State Commission on Post-War Economic Welfare on *Cash Sickness Benefits* submitted to the Legislature on April 9, 1946. The supplement has been prepared at the request of Governor Alfred E. Driscoll, who set forth the circumstances in his inaugural address, as follows:¹

In New Jersey, we have made substantial progress toward providing against the hazard of wage loss caused by illness or nonoccupational accidents. Two plans have been before the State—a so-called public fund plan and a privately operated, publicly supervised plan. There seems to be general agreement throughout the State that a plan of 'cash sickness benefits' should be adopted. I am certainly in accord. The only difficulty has been in the selection as between the two proposed alternatives.

Following the recommendation of a private plan by our Commission on Post-War Economic Welfare, two events of importance occurred. The first was Federal legislation enabling the cash sickness benefit program to be integrated with our present unemployment compensation system, and the second was the development of a strongly supported opposition of organized labor to the privately operated plan. More recently, I have been advised that there is considerable question as to whether private insurance companies can make available to the thousands of smaller employers the kind of group insurance that would make the private plan workable. In the absence of insurance, the high hazard industries, which need the benefit of a spread risk more than others, would be left without protection.

The issue of the private plan versus the public plan has thus become much more complicated than when it was considered last year. In an effort to find some common ground upon which a fully satisfactory plan may be built, I have asked the Commission on Post-War Economic Welfare to consider the possible adaptation of the principle of the non-exclusive State fund plan which was enacted by California last year.

¹ *Inaugural Address*, Alfred E. Driscoll, Governor of New Jersey (Jan. 21, 1947), pp. 15-16.

POST-WAR

[1944, ch. 94]

Court

Assembly

ment of the Speaker of
the Assembly

CAVICCHIA,
Attorney-General

REILICH, President

Equipment Company

KOERT,

Director, Apprentice-Training
U. S. Dept. of Labor

AMERMANN, General

Manufacturing Company
Man, Middlesex County

MCCLAVER
County Engineer

city

28

ARNOLD, JR.
al Consultant

As a result of its study, the *Commission* has been impressed with the dominating weight of the three factors outlined by the Governor. These factors, which arose after the *Commission* submitted its original report on sickness benefits, have caused the *Commission* to reconsider its original recommendation in light of the new circumstances—particularly the opportunity ultimately to recapture for State use some \$183,000,000 contributed by working people of New Jersey and now on deposit with the Federal treasury.

It has long been the policy of this *Commission* to oppose the federalization of the unemployment compensation system. A principal reason behind this opposition to federalization was the conviction that federalization would mean the loss to New Jersey of the large and ample resources this State had built up in its unemployment compensation trust fund. Now that the opportunity has come to safeguard New Jersey's interests in this fund by returning it to the State custody—and to provide a vast new security program against the hazards of wage loss, without additional cost to employers or employees—the *Commission* feels that circumstances require a modification of its former recommendation.

The program proposed in the memorandum which follows, and in the bills submitted with it, offers the maximum opportunity for private initiative and enterprise. In effect, however, it is a combination of the private plan and the public plan in a way which, the *Commission* is convinced, makes the most of the advantages of both plans and welds them into an efficient system of security against wage loss resulting from non-occupational accidents or sickness.

The *Commission* unanimously recommends the submitted bills for favorable consideration by the Governor and the Legislature.

Respectfully submitted,

COMMISSION ON POST-WAR ECONOMIC WELFARE.

HOWARD EASTWOOD, *Chairman*,
HARRY L. DERBY,
HOWARD M. DOWN,
JOHN G. SHOLL,
GEORGE H. STANGER,
DOMINIC A. CAVICCHIA,
FRED W. EHRLICH,
CORNELIUS L. KORT,
JOHN W. ZIMMERMANN,
ALFRED B. LITTELL,
ROSCOE P. McCLAVE.

SUMMARY

The *Commission* unani-
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1. Two Plans:

A cash disability (sick-
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2. Choice of Plans:

Each employer may d-
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that any approved priva-
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3. Coverage:

Every individual now
would be covered under e

4. Compensable Accidents:

Disabilities shall be c-
suffers any non-occupati-
total disability to perfor-
then employed, or if he
disability to perform his

5. Waiting Period:

Seven days with respec-

SUMMARY OF RECOMMENDATIONS

The *Commission* unanimously recommends a new social security program to provide a measure of protection against loss of earnings due to non-occupational accident or sickness. The benefits of this program can be made available without any additional cost to employers or employees. Payroll taxes will in fact be reduced, through a revision of employer unemployment experience rating, by an estimated \$15,000,000 in the first year, and this sum will be available to employers to provide superior benefits to many employees. The recommended program provides:

1. Two Plans:

A cash disability (sickness benefit) plan including: a *State plan* (benefits payable out of a State fund) and a *private plan* (benefits payable either by employers as self-insurers or by insurance carriers).

2. Choice of Plans:

Each employer may determine whether to have his employees covered under the State plan or a private plan, but if employees are to share in the cost of the private plan the employer must obtain their consent. Minimum standards are provided to assure that any approved private plan must be at least as liberal as the State plan.

3. Coverage:

Every individual now covered by unemployment insurance would be covered under either the State plan or a private plan.

4. Compensable Accidents or Illness:

Disabilities shall be compensable when a covered individual suffers any non-occupational accident or sickness resulting in a total disability to perform the duties of his employment if he is then employed, or if he is then unemployed, resulting in a total disability to perform his customary or most recent work.

5. Waiting Period:

Seven days with respect to each accident or illness.

6. Amount of Benefits:

The amount of benefits per week under either the State plan or a private plan will depend upon what the individual's previous earnings were; and the weekly benefit will be approximately 59 per cent of his previous average weekly earnings, with a minimum of \$9.00 and a maximum of \$22 required by law. Private plans may add as much to this requirement as may be desired.

7. Duration of Benefits:

A flat duration of a maximum of 13 weeks of benefits per accident or illness. State plan requires personal physician's certification; medical review of certification, and medical examination by State physicians. No duplication of benefits with any other social insurance benefits.

In no event may any individual receive both unemployment compensation and disability benefits for a total of more than 39 weeks in any year.

8. Financing:

Requisition of \$100,000,000 of accumulated worker contributions from the Unemployment Compensation Trust Fund now on deposit with the Federal Government; and the transfer of this amount to a State Disability Benefits Trust Fund, as authorized by recent Federal law.

Present one per cent payroll tax on employees, payable for unemployment compensation in New Jersey, to be repealed and reenacted as a required contribution to the Disability Benefits Trust Fund.

All covered employees who are under the State plan will continue to pay the present one per cent tax. All covered employees who are under a private plan will pay one-half of one per cent into the State Disability Benefits Trust Fund.

9. Employer Participation:

To encourage employers to provide superior benefits, a reduction in their payroll taxes through a revision of unemployment experience rating would free an estimated \$15,000,000 a year. The institution of the insurance program will also result in savings to those employers who have in the past followed the practice of allowing sick leave with pay at their own expense.

LEGISLATION

Temporary Disability Benefits

On August 10, 1946, the Act Amendments of 1946.

Prior to the enactment of this Act, unemployment compensation funds could only be used for unemployment compensation. By amendment, however, provision is made for the payment of temporary disability benefits.

... That an amount equal to the amount of the unemployment fund cash benefits to individuals for the expenses of administration.

As of the beginning of this year, the Federal law made available to the State a sum of \$100,000,000 whole or in part to a State of this year the sum available for the payment of unemployment compensation.

While some nine States have provided for the payment of unemployment compensation, only the State of New Jersey has provided for the payment of temporary disability benefits. It was, in fact, at the instant of the enactment of the Federal law that the State of New Jersey was the only State in the Union which had a law providing for the payment of temporary disability benefits.

From the viewpoint of the State of New Jersey, the previous objectives of State unemployment compensation have been the use of the employee compensation trust fund. These objectives have been:

1. The State could even have provided for the payment of its unemployment compensation by accumulated employee contributions, but for the protection against any expense of New Jersey's unemployment compensation this result by setting up

¹ The Commission has been advised that the quoted provision authorizes the transfer to a State Disability Benefits Trust Fund.

LEGISLATIVE MEMORANDUM

Temporary Disability (Cash Sickness) Benefits

On August 10, 1946, the President signed the Social Security Act Amendments of 1946. (79th Congress, 2nd Session, P. L. 719). Prior to the enactment of this act, State unemployment compensation funds could only be used, under Federal law, for the payment of unemployment compensation benefits. Section 416 of the 1946 amendment, however, provides:

. . . That an amount equal to the amount of employee payments into the unemployment fund of a State may be used in the payment of cash benefits to individuals with respect to their disability, exclusive of expenses of administration.¹

As of the beginning of this year, the above quoted amendment to Federal law made available some \$183,000,000 for transfer in whole or in part to a State disability benefit fund, and by the end of this year the sum available will undoubtedly exceed \$200,000,000.

While some nine States have at one time or another imposed employee contributions, and therefore became entitled to use part of their unemployment compensation trusts reserve for disability payments, only the State of California had accumulated a sum comparable in magnitude with the sum accumulated by New Jersey. It was, in fact, at the instance of California that the above amendment to the Federal law was adopted by Congress.

From the viewpoint of New Jersey there are a number of previous objectives of State policy that could be achieved through the use of the employee contribution to our unemployment compensation trust fund. These are:

1. The State could eventually recapture for State control that part of its unemployment compensation trust fund which is represented by accumulated employee contributions, as well as the entire amount of future employee contributions. This would achieve a measure of protection against any effort to federalize all the U. C. funds at the expense of New Jersey's sound position. The State could accomplish this result by setting up all future employee contributions in a State

¹ The Commission has been advised by representatives of the Social Security Board that the quoted provision authorizes cash withdrawal from the Federal Treasury for transfer to a State Disability Benefits fund.

administered fund to be placed in the custody of the State Treasurer for deposit in authorized State depositories. At the current rate of employee contributions, the fund would accumulate at the rate of upwards of \$25,000,000 annually. In addition the State could, under the new Federal statute requisition employee contributions on deposit with the Federal Government, and transfer such deposits to the State fund.

2. The accumulated reserve in the State cash disability fund would be available for investment in State and municipal obligations in the same manner that the Federal fund is now used to invest in Federal obligations. The effect would be to strengthen the market for these obligations and reduce expenditures for debt service at a time when the State and local revenue structure is under particular strain.

3. A full program of cash sickness benefits could be made available without any additional cost to employers unless they voluntarily assume the obligation of giving their employees superior benefits.

To these three significant advantages of adopting a system which would use accumulated employee contributions, there is added a fourth: In the opinion of a large segment of industry such a course would in the long run be in the best interests of private enterprise generally, and of working people throughout the State who are to be the direct beneficiaries of this new social security program. Upon reconsideration of its original proposals, the *Commission* is convinced that it would have required a compulsory insurance law; and the normal incidents of such a law are rate regulation and assignment of undesirable risks. Industry's attitude toward the private plan, particularly as represented by the viewpoint of life insurance companies, has changed since the *Commission's* fourth report. In brief, the life insurance companies which appeared before the *Commission*, and which claimed to represent 89 per cent of the premium income for group accident and health insurance, strongly advised against the private plan on the ground that private enterprise is not equipped to serve groups of less than 25 at a cost which would appear reasonable to the insured. On the other hand, the casualty companies, principally those now writing workmen's compensation gave assurance that they could take on the new business in stride, although they now carry 11 per cent of the national premium income from this kind of business. They oppose any statutory rate fixing and want the rate to arrive at its own economic level, depending on the nature of the hazard and competition among the carriers. They are ready to accept administrative rate regulation and assignment of undesirable risks. This split in the attitude of the insurance com-

panies raises the question as to whether it is wise to wish to impose rate regulation on the basis of 11 per cent of the industry.

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The *Commission* believes that the question of rate regulation is particularly significant in that it involves all facets of the life insurance family in the State—almost all of them. As such they cannot hope to be able to secure the appreciation of those most interested in the subject. Organized labor, both the A. F. of M. and the I. O. O. F. stand in opposition to the proposed type of plan that this *Commission* has recommended. The *Commission* was not able to find a maximum area for collective bargaining in the functions of government. This has not appeared in the organized labor of the desirable type. The opposition of labor, taken in conjunction with the opposition of industry and with the opportunity for contributions made by New Jersey to provide sickness benefits for the *Commission* to leave no alternative but to adopt a program including the best features of a public plan.

Empl

A memorandum filed with the sub-committee of the New Jersey State Board of Insurance stated:

"There are but two principles which lead to a definite conclusion. These are:

"1. The greater part of the cost of the insurance is borne by the employees. This is sound business relationship to the employees.

"2. Any program developed for the improvement of employers' plans is consistent with our fundamental principles in this direction. In all instances the benefits under

panies raises the question as to whether or not the State would wish to impose rate regulation and assignment of risk on 89 per cent of an industry on the basis of consent to such regulation by 11 per cent of the industry.

Labor View

The *Commission* believes that the viewpoint of organized labor is particularly significant in a social security program. These programs involve all facets of State affairs. They affect every family in the State—almost every employed person in the State. As such they cannot hope to be successful without the support and appreciation of those most directly affected by the program. Organized labor, both the A. F. of L. and the C. I. O., has taken a firm stand in opposition to the privately operated, publicly supervised type of plan that this *Commission* has heretofore recommended. The *Commission* was motivated by a desire to afford the maximum area for collective bargaining, and to avoid any increase in the functions of government as they affect the employment relationship. This has not apparently been sufficient to persuade organized labor of the desirability of the so-called private plan. The opposition of labor, taken together with the split of opinion in industry and with the opportunity to recapture a huge sum of contributions made by New Jersey employees, and to use that sum to provide sickness benefits for its contributors, seems to the *Commission* to leave no alternative but to take a middle ground, and adopt a program including the best features of the private plan with the best features of a public fund plan.

Employer View

A memorandum filed with the *Commission* two years ago, by a sub-committee of the New Jersey State Chamber of Commerce, stated:

“There are but two principles in respect to which we have come to a definite conclusion. These two principles are as follows:

“1. The greater part of the cost of the program should be borne by the employees. This is sound, as the risk insured has little direct relationship to the employment.

“2. Any program developed should encourage the maintenance and improvement of employers' plans for cash temporary disability benefits. This is consistent with our free enterprise economic system. Tremendous strides in this direction have already been made. In many instances the benefits under such programs are superior to any which

have been suggested under compulsory legislation. There will be strong sentiment for the establishment and maintenance of such plans with superior benefits to the workers, and state action in this field should not in any way impede this development or take away any benefits thus far secured by our workers.

"It appears that there are at least two approaches which should be fully considered; others may be developed.

"One method would contemplate legislation analogous to the Workmen's Compensation Act imposing upon employers a primary obligation to supply through insurance or otherwise a program of cash temporary disability benefits for employees which would conform to specific benefit standards, with provisions whereby employers would be reimbursed for a substantial part of the cost through payroll deductions from employees' wages. The other method would contemplate the imposition of payroll taxes, the major portion of which would be deducted from the employees' wages, to be paid into a State fund from which benefits would be payable by a State authority as provided by law. This would also contemplate exemption of both employers and employees from the contributions required in the event there was established and maintained by the employer a comparable or more liberal program, State approved, at no greater cost to the employee.

"Each of these methods has certain advantages and, likewise, are subject to certain criticisms. In respect to each method, certain problems are presented which would have to be solved to make them satisfactory."

* * *

A principal objection that is raised in some cases against the combination of a public fund and a private plan is that the private plans will tend to acquire the best risks and leave the public fund with the poorer risks. While the *Commission* does not believe that the evidence before it bears out this contention with respect to cash sickness benefits, there are three specific points which together seem to dispose of the problem:

First, the advantages of private plans where they are feasible far outweigh the assumed disadvantages to the system. These advantages are many:

1. It is certainly desirable to afford as many working people as possible the maximum protection against insecurity that the economy will permit. It is only through a provision for contracting out that the more able employers, or the more enlightened

employers, can be placed of protection than the average must seek to provide an average layer of protection. Under the Rhode Island plan, employers are to remain with the protection they provide. Under the Rhode Island plan, employers cannot supply protection at no cost. This is caused by the expenses of private insurance which can be provided; or the additional protection in proportion to the benefit provided by the employer. In Rhode Island, the number of employers is diminishing, and as of the time the plan is in force, and as of the time the plan is approaching the maximum benefits, the State fund plan, therefore, maximum benefits.

2. The problem of protection from the problem of old-age and surviving out is not permitted. The old-age and survivors insurance is employment relationship. The factual difference entitled the problem of cash sickness and old-age and survivors insurance affects the extension of the Rhode Island type program. 1

(a) When the age of the worker to retire—the amount of the pension based on the employment of the worker does not exist. The worker to return to his work as a result of the delay the return of the worker.

(b) There is no difficulty which is the sole basic cause of status. On the other hand, of disability is a very

employers, can be placed in a position to provide a larger measure of protection than the average. Of necessity, any public program must seek to provide a minimum layer of protection, or at best an average layer of protection, if its costs and administrative requirements are to remain within the capacity of society as a whole to provide. Under the Rhode Island type of program, where contracting out is not permitted, experience has proved that employers cannot supplement the public program at any reasonable cost. This is caused by the fact that the selling and administrative expenses of private insurance for the small amount of additional protection which can be added to the benefits provided by the State fund; or the additional hazards which can be insured, are too great in proportion to the benefits offered to justify the expense to the employer. In Rhode Island therefore, there has been a constantly diminishing number of group accident and health insurance policies in force, and as of the current year, private supplementary benefits are approaching the vanishing point. The effect of an exclusive State fund plan, therefore, is to make the minimum benefits the maximum benefits.

2. The problem of providing cash sickness benefits differs materially from the problem of providing unemployment compensation or old-age and survivors insurance, in both of which contracting out is not permitted. Both unemployment insurance and old-age and survivors insurance, deal with situations in which the employment relationship has been terminated. This material factual difference entitles and warrants a different treatment of the problem of cash sickness benefits as compared with unemployment and old-age and survivors insurance. It is a difference which affects the extension of supplementary benefits under a Rhode Island type program. For example:

(a) When the age of retirement is attained, the employer expects the worker to retire—to leave his employment. Therefore, the amount of the pension has no bearing upon the expected continued employment of the worker. With cash sickness benefits, this situation does not exist. The employer expects and wishes the worker to return to his work as soon as his condition will permit. Accordingly, the amount of the cash sickness benefit, which may tend to delay the return of the worker to his employment is very significant.

(b) There is no difficulty in establishing the age of the worker, which is the sole basic consideration in determining his retirement status. On the other hand, the fact of disability and continuance of disability is a very nebulous thing; one upon which there can

be wide differences of opinion, and in respect to which it is most difficult to make an accurate determination of fact. The program lacks even the difficulty test of suitable work.¹ Further, the worker is in control of that situation for it is more difficult to disapprove disability when the worker contends that he is disabled. Here the weekly amount of income will have a definite bearing upon the efficient administration of the program and, accordingly under the Rhode Island type program, it would be a very exceptional case where the employer could find it practical to supplement the State benefit payment.

(c) The term "supplemental benefits" is broad and needs to be analyzed. It has been urged upon the *Commission* that many companies have adopted "supplementary" pension programs, providing for retirement benefits in addition to those provided under the old age and survivors insurance program. However, the great majority of such "supplementary pension programs" are applicable only to employees whose earnings exceed \$250 per month. In fact, the experience in Rhode Island indicates that in the relatively few instances of providing additional benefits, there is a trend to provide them only to those whose earnings exceed \$40 or \$50 per week. The effect of a Rhode Island type law would be the elimination of supplementary voluntary cash sickness benefit and health program, especially as applied to the low wage earner group.

Second, a public program is at best a compromise with the need to fit the infinite variety of industrial situations in our American economy, and for this reason it is both necessary and desirable to provide a wide area for collective bargaining on issues of employment and wage security. This is not only in the best interests of working people generally, but it is also in the interests of a vital and constructive labor movement. Extensive health benefit programs have already been developed, including protection against wage loss caused by accident or sickness, and incorporated in employer-union contracts. Most of the plans have been negotiated by the following unions:²

¹ Cf. Commission on Post-War Economic Welfare, *Third Report, Unemployment Compensation in Reconversion* (Trenton, 1946), pp. 22-29.

² U. S. Department of Labor, *Health-Benefit Programs Established Through Collective Bargaining 1945* (Govt. Print. Off. Washington, D. C.), Bulletin No. 841.

Plans administered by

Textile Worker
United Electric
International F
Upholsterers I
United Textile
United Furnitu
Amalgamated
(A. F. of L.)

Industrial Uni
Hotel and Rest
Paper Workers

Union-administered

International I
New York City
United Hatters

Jointly-administered

Amalgamated
gram.
United Retail,
(C. I. O.).

These various unions, through their negotiation of working conditions in this field can be contracting out. in the legislation collective bargaining private plans.

Third, whatever relating to adverse in the opposition to any objection of the union's proposal to pay into the State contribution.

Plans administered by insurance companies:

- Textile Workers Union of America (C. I. O.).
- United Electrical, Radio and Machine Workers (C. I. O.).
- International Fur and Leather Workers Union (C. I. O.).
- Upholsterers International Union (A. F. of L.).
- United Textile Workers of America (A. F. of L.).
- United Furniture Workers of America (C. I. O.).
- Amalgamated Association of Street and Electric Railway Employees (A. F. of L.).
- Industrial Union of Marine and Shipbuilding Workers (C. I. O.).
- Hotel and Restaurant Employees' International Alliance (A. F. of L.).
- Paper Workers Organizing Committee (C. I. O.).

Union-administered benefits plans:

- International Ladies' Garment Workers' Union (A. F. of L.).
- New York City Laundry Workers (C. I. O.).
- United Hatters, Cap, and Millinery Workers (A. F. of L.).

Jointly-administered plans:

- Amalgamated Clothing Workers of America (C. I. O.) insurance program.
- United Retail, Wholesale and Department Store Employees of America (C. I. O.).

These various union contracts terminate at different times and their negotiation or extension is intimately related to wage and working conditions. The best way in which widespread confusion in this field can be avoided is offered through the provision for contracting out. This provision would have to be supplemented in the legislation with specific authority permitting existing collective bargaining contracts to run their course as acceptable private plans.

Third, whatever may be the merits or demerits of the arguments relating to adverse selection of risks, which is primarily involved in the opposition to contracting out, the *Commission* believes that any objection of this kind is completely overcome by the *Commission's* proposal that employees covered by private plans continue to pay into the State fund, at a reduced rate, the present employees contribution.

Recommendations

With this general background, the *Commission* has sought to develop a program which will retain the best features of the privately-operated, publicly-supervised plan and incorporate the best features of the publicly-operated plan. The *Commission* feels today, as it did a year ago, that in the field of employer-employee relations there should be a maximum opportunity for the operation of free private enterprise and of collective bargaining to the full extent consonant with other requirements of public policy. To accomplish these objectives, the *Commission* has developed a program which will require these principal legislative features:

1. *A bill establishing a cash disability benefit plan including State fund and private plan alternatives.*

(a) The scale of benefits, eligibility requirements, and waiting period for those under the State plan will be similar to comparable provisions of the Unemployment Compensation Law. For private plans, the law would set up minimum benefit schedules, essentially the same as those now provided under the Unemployment Compensation Law, with the single exception that the base period wage determination would be the *most recent quarter* of the employees earnings rather than the *high quarter* of the first four of the last five quarters. The reason for this difference is to overcome the difficulty which would be presented were every employer obliged to inquire of the central wage record as to the wage base of employees under private plans who are entitled to benefits. Moreover, private plans are paid for on a premium basis which is the current payroll of the employer and the benefits should, if possible, be related to that payroll.

(b) The duration of benefits will be the same as now provided in private plans—for the duration of the disability but not more than thirteen weeks per disability. This is somewhat of a departure from the variable duration formula for unemployment compensation under which duration is limited by one-third of the total earnings of an individual in his base year. Since the limit for a single illness is fixed at thirteen weeks, and the combined total weeks of benefit for unemployment and for disability is limited to thirty-nine weeks in any year, the flat duration is preferable for sickness benefits.

For similar reasons, no benefit year is established for disability benefits—to conform to the practice in private plans. Each period of disability is self-limiting in that it is for a single cause or con-

dition and the same cause or ing weeks is deemed a contin for that cause or condition.

(c) The program of cash transferring from the Federal fits fund so much of the ac might be required, with an i employee tax which is nov compensation fund would benefits fund. All employe however, so long as they rer contribution rate reduced t provision would be to prov supplementary revenue to protect it fully against any risks by private plans. Emj however, be contributing to of the overall State admin the time when they might as a result of becoming i employer who does not hav

2. *A bill amending the two principal respects:*

(a) To provide for a rec employers to the unemployme ing available employer re either alone or jointly with benefits provided by the St

(b) Amendment of the repeal the requirement of c

The State Unemploy \$44,000,000 on February 2 if every person in the Sta The Social Security Admi the country have recogni merely sterilize State conf fully justify tax rate redu

Under the recommende experience rating, which is m *ission's* Fourth Report, available only when the an

dition and the same cause or condition recurring within four working weeks is deemed a continuation of the initial period of benefits for that cause or condition.

(c) The program of cash sickness benefits would be financed by transferring from the Federal treasury to a State disability benefits fund so much of the accumulated employee contributions as might be required, with an initial amount of \$100,000,000, and the employee tax which is now being paid into the unemployment compensation fund would be diverted to the State disability benefits fund. All employees who are covered by private plans, however, so long as they remain under such plans, shall have their contribution rate reduced to $\frac{1}{2}$ of 1 per cent. The effect of this provision would be to provide a constantly increasing source of supplementary revenue to the State fund and in that way to protect it fully against any possibility of an adverse selection of risks by private plans. Employees covered by private plans would, however, be contributing to the State fund, both to bear a share of the overall State administrative costs and to provide against the time when they might require benefits out of the State fund as a result of becoming unemployed or of transferring to an employer who does not have a private plan.

2. *A bill amending the Unemployment Compensation Law in two principal respects:*

(a) To provide for a reduction in current contributions by employers to the unemployment compensation system, and thus making available employer resources so as to encourage employers either alone or jointly with employees to supplement the minimum benefits provided by the State fund plan.

(b) Amendment of the Unemployment Compensation Law to repeal the requirement of employee contribution under that law.

The State Unemployment Compensation Trust Fund was \$44,000,000 on February 28, 1947. This is enough to pay benefits if every person in the State was unemployed at the same time. The Social Security Administration and other States throughout the country have recognized that swollen funds such as these merely sterilize State contributions in the Federal Treasury and fully justify tax rate reduction.

Under the recommended revision of employer unemployment experience rating, which is the same as that proposed in the Commission's Fourth Report, the maximum rate reductions would be available only when the amount in the Fund exceeds 15 per cent of

taxable payroll. The taxable payroll in 1946 was 2.6 billion dollars and 15 per cent of that sum would be \$390,000,000. Diversion of the full \$100,000,000 from accumulated employee contributions immediately would, therefore, make it impossible to realize the full tax reduction permitted under the new rate schedule. The *Commission* has, therefore, provided for an interim period of one year, during which the State Treasurer would not requisition from the Federal Trust Fund the full \$100,000,000 proposed, if by so doing he would reduce the Fund balance below 15 per cent of taxable payroll. This will assure that for at least one year New Jersey business will enjoy the maximum tax reduction possible and still there will be a sufficient reserve created for the State Disability Benefits Fund to begin the payment of benefits as soon as an administration can be organized—January 1, 1948.

109
Assembly Bill No. 28 (C. ~~110~~)

Introduced by Mr. Brescher

February 9, 1948

STATEMENT

This is a companion bill to the proposed Temporary Disability Benefits Law, introduced in the Senate by Senator Barton.

The present bill provides for the financing of "cash sickness benefits" by transferring worker contributions from the Unemployment Compensation Fund to the Temporary Disability Benefit Fund. It also provides a new schedule of experience rates for employer contributions to the Unemployment Compensation Fund which, it is estimated, will result in tax savings to covered employers of roughly \$17,000,000 during 1949 and comparable amounts in subsequent years under stable economic conditions.

SENATE BILL NO. 147 (C.110)

Introduced by Mr. Barton

February 9, 1948

STATEMENT

A system of "cash sickness benefits" would be established by this bill, which follows the general plan of the bill introduced by Assemblyman Brescher last year (Assembly 474, as amended).

The most favorable benefit structure for employees and their employers is encouraged by reasonable provision for "contracting out" of approved private plans. The "State plan" would provide benefits similar to those now provided under the unemployment compensation law.

Financing of this program is provided in a companion bill, Assembly No. 28, introduced by House Speaker Brescher, which provides for transfer of the current worker contributions for unemployment compensation to the temporary disability benefits fund established by this bill.

REVISED STATUTES
OF
NEW JERSEY
1937

EFFECTIVE
DECEMBER 20, 1937



(IN FOUR VOLUMES)

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The commission shall also make such investiga-
tions regarding the operation of pension, insurance
and annuity systems as it deems advisable.
Source. L. 1911, c. 198, §2, p. 411 [1924 Suppl. §*145-2].

43:20-3. Annual report to legislature. The com-
mission shall report annually, on or before the
third Tuesday of January. The report shall set
forth:

a. The work done by the commission during the

preceding year in accordance with the provisions
of this subtitle;

b. Such recommendations of legislation on the
subject of old age insurance, pensions or annuities
as the commission deems advisable; and

c. A tabulated statement of the expenditures of
the commission and an estimate of the amount
required for the commission's purposes during the
coming year.

Source. L. 1911, c. 198, §3, p. 412 [1924 Suppl. §*145-3].

Subtitle 9. SOCIAL SECURITY.

Cross References.

Aid to crippled children, see §§9:13-3 and 9:13-6 of
the title Children—Juvenile and Domestic Relations
Courts.

Aid to dependent children, see chapter 5 of the title
Institutions and Agencies (§30:5-1 et seq.).

Aid to the blind, see chapter 6 of the title Institutions
and Agencies (§30:6-1 et seq.).

Old age assistance, see chapter 7 of the title Poor
(§44:7-1 et seq.).

Chapter 21. UNEMPLOYMENT COMPENSATION.

Section

- 43:21-1. Short title.
- 43:21-2. Declaration of state public policy.
- 43:21-3. Benefits.
- 43:21-4. Benefit eligibility conditions.
- 43:21-5. Disqualification for benefits.
- 43:21-6. Claims for benefits.
- 43:21-7. Contributions.
- 43:21-8. Period, election, and termination of employer's
coverage.
- 43:21-9. Unemployment compensation fund.
- 43:21-10. Unemployment compensation commission.
- 43:21-11. Administration.
- 43:21-12. Employment service.

Section

- 43:21-13. Unemployment compensation administration
fund.
- 43:21-14. Collection of contributions.
- 43:21-15. Protection of rights and benefits.
- 43:21-16. Penalties.
- 43:21-17. Representation in court.
- 43:21-18. Nonliability of state.
- 43:21-19. Definitions.
- 43:21-20. Part-time workers.
- 43:21-21. Reciprocal benefit arrangements.
- 43:21-22. Saving clause.
- 43:21-23. Separability of provisions.

43:21-1. Short title. This chapter shall be known
and may be cited as the "unemployment compen-
sation law".

Source. L. 1936, c. 270, §1, p. 1045.

43:21-2. Declaration of state public policy. As
a guide to the interpretation and application of
this chapter, the public policy of this state is
declared to be as follows: economic insecurity due
to unemployment is a serious menace to the health,
morals, and welfare of the people of this state.
Involuntary unemployment is therefore a subject
of general interest and concern which requires
appropriate action by the legislature to prevent
its spread and to lighten its burden which now
so often falls with crushing force upon the unem-
ployed worker and his family. The achievement
of social security requires protection against this
greatest hazard of our economic life. This can
be provided by encouraging employers to provide
more stable employment and by the systematic
accumulation of funds during periods of employ-
ment to provide benefits for periods of unemploy-
ment, thus maintaining purchasing power and
limiting the serious social consequences of poor
relief assistance. The legislature, therefore, de-
clares that in its considered judgment the public
good, and the general welfare of the citizens of this
state requires the enactment of this measure,

under the police powers of the state, for the com-
pulsory setting aside of unemployment reserves
to be used for the benefit of persons unemployed
after qualifying periods of employment.

Source. L. 1936, c. 270, §2, p. 1045.

43:21-3. Benefits. (a) Payment of benefits.
Twenty-five months after the date when contribu-
tions first accrue under this chapter, benefits shall
become payable from the fund. All benefits shall
be paid through employment offices, or such other
agencies as may be designated in accordance with
such regulations as may be prescribed hereunder.

(b) Weekly benefit amount for total unemploy-
ment. Each eligible individual who is totally un-
employed (as defined in subsection (m) of section
43:21-19 of this title) in any week shall be paid
with respect to such week, benefits (computed to
the next highest multiple of twenty cents [\$0.20])
at the rate of fifty per cent (50%) of his full-time
weekly wages but not more than fifteen dollars
(\$15.00) per week, nor less than either five dollars
(\$5.00) or three-fourths of his full-time weekly
wage, whichever is the lesser.

(c) Determination of full-time weekly wage.

(1) The full-time weekly wage of any individual
means the weekly wages that such individual
would receive if he were employed at his most
recent wage rate during his base year and for the

customary scheduled full-time week prevailing for his occupation in the enterprise in which he last earned wages during his base year.

(2) If the commission finds that the full-time weekly wage, as above defined, would be unreasonable or arbitrary or not readily determinable with respect to any individual, the full-time weekly wage of such individual shall be deemed to be one-thirteenth of his total wages in that quarter in which such total wages were highest during the first eight out of the last nine completed calendar quarters immediately preceding the first day of his benefit year.

(d) Duration of benefits. The maximum total amount of benefits payable to any eligible individual during any benefit year shall not exceed one-sixth of his total wages during his base year or sixteen times his weekly benefit amount, whichever is the lesser.

Source. L. 1936, c. 270, §3, p. 1046.

43:21-4. Benefit eligibility conditions. An unemployed individual shall be eligible to receive benefits with respect to any week only if it appears that:

(a) He has registered for work at and thereafter has continued to report at an employment office in accordance with such regulations as the commission may prescribe.

(b) He has made a claim for benefits in accordance with the provisions of subsection (a) of section 43:21-6 of this title.

(c) He is able to work, and is available for work.

(d) Prior to any week for which he claims benefits he has been totally unemployed for a waiting period of two weeks, which said weeks need not be consecutive. No week shall be counted as a week of total unemployment for the purposes of this subsection:

(1) if benefits have been paid with respect thereto;

(2) unless the individual was eligible for benefits with respect thereto in all respects except for the requirements of subsections (b) and (c) of this section;

(3) unless it occurs within the thirteen consecutive weeks preceding the week for which he claims benefits; provided, that this condition shall not interrupt the payment of benefits for consecutive weeks of unemployment, nor require any individual who, prior to the first day of his benefit year, shall have accumulated such two waiting period weeks, to accumulate more than three additional waiting period weeks during his ensuing benefit year;

(4) unless it occurs after benefits first could become payable to any individual under this chapter.

(e) He has within his base year earned wages of not less than sixteen times his weekly benefit amount.

Source. L. 1936, c. 270, §4, p. 1047.

43:21-5. Disqualification for benefits. An individual shall be disqualified for benefits:

(a) For the week in which he has left work voluntarily without good cause, and for the three

weeks which immediately follow such week (in addition to the waiting period), as determined in each case.

(b) For the week in which he has been discharged for misconduct connected with his work, and for the three weeks which immediately follow such week (in addition to the waiting period), as determined in each case.

(c) If it is found that he has failed, without good cause, either to apply for available, suitable work when so directed by the employment office or the executive director or to accept suitable work when offered him, or to return to his customary self-employment (if any) when so directed by the executive director. Such disqualification shall continue for the week in which such failure occurred and for the three weeks which immediately follow such week (in addition to the waiting period), as determined.

(1) In determining whether or not any work is suitable for an individual, consideration shall be given to the degree of risk involved to his health, safety, and morals, his physical fitness and prior training, his experience and prior earnings, his length of unemployment and prospects for securing local work in his customary occupation, and the distance of the available work from his residence.

(2) Notwithstanding any other provisions of this chapter, no work shall be deemed suitable and benefits shall not be denied under this chapter to any otherwise eligible individual for refusing to accept new work under any of the following conditions: (a) If the position offered is vacant due directly to a strike, lockout, or other labor dispute; (b) if the remuneration, hours, or other conditions of the work offered are substantially less favorable to the individual than those prevailing for similar work in the locality; (c) if as a condition of being employed the individual would be required to join a company union or to resign from or refrain from joining any bona fide labor organization.

(d) For any week with respect to which it is found that his total unemployment is due to a stoppage of work which exists because of a labor dispute at the factory, establishment, or other premises at which he is or was last employed; provided, that this subsection shall not apply if it is shown to the satisfaction of the board of review that:

(1) He is not participating in or financing or directly interested in the labor dispute which caused the stoppage of work; and

(2) He does not belong to a grade or class of workers of which, immediately before the commencement of the stoppage, there were members employed at the premises at which the stoppage occurs, any of whom are participating in or financing or directly interested in the dispute; provided, that if in any case in which (1) or (2) above applies separate branches of work which are commonly conducted as separate businesses in separate premises are conducted in separate departments of the same premises, each such department shall, for the purposes of this subsection,

be deemed to be a separate factory, establishment, or other premises.

(e) For any week with respect to which he is receiving or has received remuneration in the form of:

(1) Remuneration in lieu of notice;

(2) Compensation for temporary partial disability under the workmen's compensation law of any state or under a similar law of the United States; or

(3) Old age benefits under Title II of the social security act, as amended, or similar payments under any act of congress; provided, that if such remuneration is less than the benefits which would otherwise be due under this chapter, he shall be entitled to receive for such week, if otherwise eligible, benefits reduced by the amount of such remuneration.

Source. L. 1936, c. 270, §5, p. 1048.

43:21-6. Claims for benefits. (a) Filing. Claims for benefits shall be made in accordance with such regulations as the commission may approve. Each employer shall post and maintain printed statements of such regulations in places readily accessible to individuals in his service and shall make available to each such individual at the time he becomes unemployed, a printed statement of such regulations. Such printed statements shall be supplied by the commission to each employer without cost to him.

(b) Initial determination. A representative designated by the executive director, and hereinafter referred to as a "deputy", shall promptly examine the claim and, on the basis of the facts found by him, shall either determine whether or not such claim is valid, and if valid, the week with respect to which benefits shall commence, the weekly benefit amount payable and the maximum duration thereof, or shall refer such claim or any question involved therein to an appeal tribunal or to the board of review, which shall make its determinations with respect thereto in accordance with the procedure described in subsection (c) of this section, except that in any case in which the payment or denial of benefits will be determined by the provisions of subsection (d) of section 43:21-5 of this title, the deputy shall promptly transmit his full findings of fact with respect to that subsection to the board of review, which, on the basis of the evidence submitted and such additional evidence as it may require, shall affirm, modify, or set aside such findings of fact and transmit to the deputy a decision upon the issues involved under that subsection. The deputy shall promptly notify the claimant and any other interested party of the decision and the reasons therefor. Unless the claimant or any such interested party, within five calendar days after the delivery of such notification, or within seven calendar days after such notification was mailed to his last-known address, files an appeal from such decision, such decision shall be final and benefits shall be paid or denied in accordance therewith. If an appeal is duly filed, benefits with respect to the period prior to the final determination of the board of review, shall be paid only after such determina-

tion; provided, that if an appeal tribunal affirms a decision of a deputy, or the board of review affirms a decision of an appeal tribunal, allowing benefits, such benefits shall be paid regardless of any appeal which may thereafter be taken, but if such decision is finally reversed, no employer's account shall be charged with benefits so paid.

(c) Appeals. Unless such appeal is withdrawn, an appeal tribunal, after affording the parties reasonable opportunity for fair hearing, shall affirm or modify the findings of fact and decision of the deputy. The parties shall be duly notified of such tribunal's decision, together with its reasons therefor, which shall be deemed to be the final decision of the board of review, unless within ten days after the date of notification or mailing of such decision, further appeal is initiated pursuant to subsection (e) of this section.

(d) Appeal tribunals. To hear and decide disputed claims, the executive director with the approval of the commission shall establish one or more impartial appeal tribunals consisting in each case of either a salaried examiner or a body consisting of three members, one of whom shall be a salaried examiner, who shall serve as chairman, one of whom shall be a representative of employers and the other of whom shall be a representative of employees; each of the latter two members shall serve at the pleasure of the commission and be paid a fee of not more than twenty dollars (\$20.00) per day of active service on such tribunal plus necessary expenses. No person shall participate on behalf of the commission in any case in which he is an interested party. The executive director may designate alternates to serve in the absence or disqualification of any member of an appeal tribunal. The chairman shall act alone in the absence or disqualification of any other member and his alternates. In no case shall the hearings proceed unless the chairman of the appeal tribunal is present.

(e) Board of review. The board of review may on its own motion affirm, modify, or set aside any decision of an appeal tribunal on the basis of the evidence previously submitted in such case, or direct the taking of additional evidence, or may permit any of the parties to such decision to initiate further appeals before it. The board of review shall permit such further appeal by any of the parties interested in a decision of an appeal tribunal which is not unanimous and by the deputy whose decision has been overruled or modified by an appeal tribunal. The board of review may remove to itself or transfer to another appeal tribunal the proceedings on any claim pending before an appeal tribunal. Any proceeding so removed to the board of review shall be heard by a quorum thereof in accordance with the requirements in subsection (c) of this section. The board of review shall promptly notify the interested parties of its findings and decision.

(f) Procedure. The manner in which disputed claims shall be presented, the reports thereon required from the claimant and from employers, and the conduct of hearings and appeals shall be in

accordance with rules prescribed by the board of review for determining the rights of the parties, whether or not such rules conform to common law or statutory rules of evidence and other technical rules of procedure. A full and complete record shall be kept of all proceedings in connection with a disputed claim. All testimony at any hearing upon a disputed claim shall be recorded, but need not be transcribed unless the disputed claim is further appealed.

(g) Witness fees. Witnesses subpoenaed pursuant to this section shall be allowed fees at a rate fixed by the commission. Such fees and all expenses of proceedings involving disputed claims shall be deemed a part of the expense of administering this chapter.

(h) Appeal to courts. Any decision of the board of review in the absence of an appeal therefrom as herein provided shall become final ten days after the date of notification or mailing thereof, and judicial review thereof shall be permitted only after any party claiming to be aggrieved thereby has exhausted his remedies before the board of review as provided by this chapter. The board of review shall be deemed to be a party to any judicial action involving any such decision, and may be represented in any such judicial action by any qualified attorney who may be a regular salaried employee of the board of review or has been designated by it for that purpose, or at the board of review's request, by the attorney general.

(i) Court review. Within ten days after the decision of the board of review has become final, any party aggrieved thereby may secure judicial review thereof by writ of certiorari directed to the board of review, in which action any other party to the proceeding before the board of review shall be made a defendant.

Source. L. 1936, c. 270, §6, p. 1050.

43:21-7. Contributions. (a) Payment. (1) On and after December first, one thousand nine hundred and thirty-six, contributions shall accrue and become payable by each employer for each calendar year in which he is subject to this chapter, with respect to wages payable for employment (as defined in subsection (i) of section 43:21-19 of this title) occurring during such calendar year, except that for the month of December, one thousand nine hundred and thirty-six, such contributions shall accrue and become payable with respect to wages payable for employment during the month of December, one thousand nine hundred and thirty-six. Such contributions shall become due and be paid by each employer to the commission for the fund in accordance with such regulations as may be prescribed, and shall not be deducted, in whole or in part, from the remuneration of individuals in his employ.

(2) In the payment of any contributions, a fractional part of a cent shall be disregarded unless it amounts to one-half cent (\$0.00½) or more, in which case it shall be increased to one cent (\$0.01).

(b) Rate of contribution. Each employer shall pay contributions equal to the following percentages of wages payable by him with respect to employment:

(1) Ten and eight-tenths per cent (108/10%) with respect to employment during the month of December, one thousand nine hundred and thirty-six; provided, that if the total of such contributions at such ten and eight-tenths per cent (108/10%) rate equals less than nine-tenths of one per cent (9/10 of 1%) of the annual pay roll of any employer for the calendar year one thousand nine hundred and thirty-six, such employer shall pay, not later than January twenty-fifth, one thousand nine hundred and thirty-seven, an additional lump-sum contribution with respect to employment for such one month's period beginning December first, one thousand nine hundred and thirty-six, equal to the difference between nine-tenths of one per cent (9/10 of 1%) of his annual pay roll of the calendar year one thousand nine hundred and thirty-six and the total of his contributions at such ten and eight-tenths per cent (108/10%) for such one month's period beginning December first, one thousand nine hundred and thirty-six; and provided further, that the total of such contributions with respect to employment for such one month's period beginning December first, one thousand nine hundred and thirty-six, shall not exceed nine-tenths of one per cent (9/10 of 1%) of such employer's annual pay roll for the calendar year one thousand nine hundred and thirty-six; provided further, that if the federal social security act be amended or an extension thereunder be granted to permit payment of the tax on pay rolls provided in section nine hundred one (1), at a date later than January thirty-first, one thousand nine hundred and thirty-seven, the commission may, by regulation, postpone to a later date the required payment of contributions as provided in this subsection.

(2) One and eight-tenths per cent (18/10%) with respect to employment during the calendar year one thousand nine hundred and thirty-seven;

(3) Two and seven-tenths per cent (27/10%) with respect to employment during the calendar years one thousand nine hundred and thirty-eight, one thousand nine hundred and thirty-nine, one thousand nine hundred and forty and one thousand nine hundred and forty-one; and

(4) With respect to employment after December thirty-first, one thousand nine hundred and forty-one, the percentage determined pursuant to subsection (c) of this section.

(c) Future rates based on benefit experience.

(1) A separate account for each employer shall be maintained and this shall be credited with all the contributions which he has paid on his own behalf. But nothing in this chapter shall be construed to grant any employer or individuals in his service prior claims or rights to the amounts paid by him into the fund either on his own behalf or on behalf of such individuals. Benefits paid to an eligible individual shall be charged against the account of his most recent employers against whose accounts the maximum charges hereunder have not previously been made in the inverse chronological order in which the employment of such individual occurred, but the maximum amount so charged shall not exceed one-sixth of the wages payable to such

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individual by each such employer for employment on and after the first day of the nine completed calendar quarters immediately preceding such individual's benefit year, or two hundred forty dollars (\$240.00), whichever is the lesser, but this provision shall not be construed to limit the duration of benefits payable pursuant to subsection (d) of section 43:21-3 of this title. The commission shall by general rules prescribe the manner in which benefits shall be charged against the accounts of several employers for whom an individual performed employment during the same week.

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

(3) Each employer's rate shall be two and seven-tenths per cent (27/10%), except as otherwise provided in the following provisions. No employer's rate shall be less than two and seven-tenths per cent (27/10%) unless and until there shall have been three calendar years throughout which any individual in his employ could have received benefits if eligible.

(4) Each employer's rate for the twelve months commencing January first of any calendar year shall be determined on the basis of his record up to the beginning of such calendar year. If, at the beginning of such calendar year, the total of all his contributions, paid on his own behalf, for all past years exceeds the total benefits charged to his account for all such years, his contribution rate shall be:

(A) One and eight-tenths per cent (18/10%), if such excess equals or exceeds seven and one-half per cent (7½%), but is less than ten per cent (10%) of his average annual pay roll (as defined in paragraph (2) of subsection (a) of section 43:21-19 of this title);

(B) Nine-tenths of one per cent (9/10 of 1%), if such excess equals or exceeds ten per cent (10%) of his average annual pay roll.

If the total of his contributions, paid on his own behalf for all past periods or for the past one hundred twenty consecutive calendar months, whichever period is more advantageous to such employer for the purposes of this paragraph, is less than the total benefits charged against his account during the same period, his rate shall be three and six-tenths per cent (36/10%).

(5) No employer's rate for the period of twelve months commencing January first of any calendar year shall be less than two and seven-tenths per cent (27/10%), unless the total assets of the fund, excluding contributions not yet paid at the beginning of such calendar year, exceed the total benefits paid from the fund within the last preceding calendar year; and no employer's rate shall be less than one and eight-tenths per cent (18/10%) unless such assets at such time were at least twice

the total benefits paid from the fund within such last preceding year.

(d) Contribution by workers. (1) Each worker shall contribute to the fund one per cent (1%) of his wages paid by an employer with respect to his employment which occurs after December thirty-first, one thousand nine hundred and thirty-seven, and after such employer has satisfied the conditions set forth in subsection (h) of section 43:21-19 of this title with respect to becoming an employer. Each employer shall, notwithstanding any provisions of law in this state to the contrary, withhold in trust the amount of his workers' contributions from their wages at the time such wages are paid, shall show such deduction on his pay-roll records, shall furnish such evidence thereof to his workers as the commission may prescribe, and shall transmit all such contributions, in addition to his own contributions, to the office of the commission in such manner and at such times as may be prescribed. If any employer fails to deduct the contributions of any of his workers at the time their wages are paid, or fails to make a deduction therefor at the time wages are paid for the next succeeding pay-roll period, he alone shall thereafter be liable for such contributions, and for the purposes of section 43:21-14 of this title, such contributions shall be treated as employer's contributions required from him. As used in this chapter, except when the context clearly requires otherwise, the term "contributions" shall include the contributions of workers pursuant to this section.

(2) If an individual does not receive any wages from the employing unit which for the purposes of this chapter is treated as his employer, or receives his wages from some other employing unit, such employer shall nevertheless be liable for such individual's contributions in the first instance; and after payment thereof such employer may deduct the amount of such contributions from any sums payable by him to such employing unit, or may recover the amount of such contributions from such employing unit or in the absence of such an employing unit, from such individual, in a civil action for debt; provided, proceedings therefor are instituted within three months after the date on which such contributions are payable. General rules shall be prescribed whereby such an employing unit may recover the amount of such contributions from such individuals in the same manner as if it were the employer.

(3) Every employer who has elected to become an employer subject to this chapter or to cease to be an employer subject to this chapter, pursuant to the provisions of section 43:21-8 of this title, shall post and maintain printed notices of such election on his premises, of such design, in such numbers, and at such places as the executive director may determine to be necessary to give notice thereof to persons in his service.

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

Source. L. 1936, c. 270, §7, p. 1054.

43:21-8. Period, election, and termination of employer's coverage. (a) Any employing unit which is or becomes an employer subject to this chapter within any calendar year shall be subject to this chapter during the whole of such calendar year.

(b) Except as otherwise provided in subsection (c) of this section, an employing unit shall cease to be an employer subject to this chapter only as of the first day of January of any calendar year, if it files with the commission, prior to the fifth day of January of such year, a written application for termination of coverage, and the commission finds that there were no twenty different days, each day being in a different week within the preceding calendar year, within which such employing unit employed eight or more individuals in employment subject to this chapter. For the purpose of this subsection, the two or more employing units mentioned in paragraph (2) or (3) or (4) of subsection (h) of section 43:21-19 of this title shall be treated as a single employing unit.

(c) (1) An employing unit, not otherwise subject to this chapter which files with the commission its written election to become an employer subject hereto for not less than two calendar years, shall, with the written approval of such election by the commission, become an employer subject hereto to the same extent as all other employers, as of the date stated in such approval; provided, that the commission shall not approve such election by such employing unit to become an employer subject hereto if written objections on the part of a substantial proportion of the individuals in the employ of such employing unit are presented to the commission within ten days following the filing of such election, and shall cease to be subject hereto as of January first of any calendar year subsequent to such two calendar years, only if at least thirty days prior to such first day of January, it has filed with the commission a written notice to that effect.

(2) Any employing unit for which services that do not constitute employment as defined in this chapter are performed, may file with the commission a written election that all such services performed by individuals in its employ in one or more distinct establishments or places of business shall be deemed to constitute employment for all the purposes of this chapter for not less than two calendar years; provided, written objections on the part of a substantial proportion of such individuals affected are not presented to the commission within ten days following the filing of such election. Upon the written approval of such election by the commission, such services shall be deemed to constitute employment subject to this chapter from and after the date stated in such approval. Such services shall cease to be deemed employment subject hereto as of January first of any calendar year subsequent to such two calendar years, only if at least thirty days prior to such first day of January such employing unit has filed with the commission a written notice to that effect.

Source. L. 1936, c. 270, §8, p. 1059.

43:21-9. Unemployment compensation fund. (a) Establishment and control. There is hereby established as a special fund, separate and apart from

all public moneys or funds of this state, an unemployment compensation fund, which shall be administered by the commission exclusively for the purposes of the chapter. This fund shall consist of (1) all contributions collected under this chapter, together with any interest thereon collected pursuant to subsection (a) of section 43:21-14 of this title; (2) all fines and penalties collected pursuant to the provisions of this chapter; (3) interest earned upon any moneys in the fund; (4) any property or securities acquired through the use of moneys belonging to the fund; and (5) all earnings of such property or securities. All moneys in the fund shall be mingled and undivided.

(b) Accounts and deposit. The treasurer of the state of New Jersey shall be ex-officio the treasurer and custodian of the fund and shall administer such fund in accordance with the directions of the commission and shall issue his warrants upon it in accordance with such regulations as the commission shall prescribe. He shall maintain within the fund three separate accounts: (1) A clearing account, (2) an unemployment trust fund account, and (3) a benefit account. All moneys payable to the fund, upon receipt thereof by the commission, shall be forwarded to the treasurer who shall immediately deposit them in the clearing account. Refunds payable pursuant to subsection (g) of section 43:21-14 of this title may be paid from the clearing account upon warrants issued by the treasurer under the direction of the commission. After clearance thereof, all other moneys in the clearing account shall be immediately deposited with the secretary of the treasury of the United States of America to the credit of the account of this state in the unemployment trust fund, established and maintained pursuant to section nine hundred four of the social security act, as amended, any provisions of law in this state relating to the deposit, administration, release, or disbursement of moneys in the possession or custody of this state to the contrary notwithstanding. The benefit account shall consist of all moneys requisitioned from this state's account in the unemployment trust fund. Moneys in the clearing and benefit accounts may be deposited by the treasurer, under the direction of the commission, in any bank or public depository in which general funds of the state may be deposited, but no public deposit insurance charge or premium shall be paid out of the fund. The treasurer shall give a separate bond conditioned upon the faithful performance of his duties as custodian of the fund in an amount fixed by the commission and in a form prescribed by law or approved by the attorney general. Premiums for said bond shall be paid from the administration fund.

(c) Withdrawals. Moneys shall be requisitioned from this state's account in the unemployment trust fund solely for the payment of benefits and in accordance with regulations prescribed by the commission. The commission shall from time to time requisition from the unemployment trust fund such amounts, not exceeding the amounts standing to its account therein, as it deems necessary for the payment of benefits for a reasonable

future period. Upon receipt thereof the treasurer shall deposit such moneys in the benefit account and shall issue his warrants for the payment of benefits solely from such benefit account. Expenditures of such moneys in the benefit account and refunds from the clearing account shall not be subject to any provisions of law requiring specific appropriations or other formal release by state officers of money in their custody. All warrants issued by the treasurer for the payment of benefits and refunds shall bear the signature of the treasurer and the counter-signature of the executive director or his duly authorized agent for that purpose. Any balance of moneys requisitioned from the unemployment trust fund which remains unclaimed or unpaid in the benefit account after the expiration of the period for which such sums were requisitioned shall either be deducted from estimates for, and may be utilized for the payment of, benefits during succeeding periods, or, in the discretion of the commission, shall be redeposited with the secretary of the treasury of the United States of America, to the credit of this state's account in the unemployment trust fund, as provided in subsection (b) of this section.

(d) Management of funds upon discontinuance of unemployment trust fund. The provisions of subsections (a), (b), and (c) to the extent that they relate to the unemployment trust fund, shall be operative only so long as such unemployment trust fund continues to exist and so long as the secretary of the treasury of the United States of America continues to maintain for this state a separate book account of all funds deposited therein by this state for benefit purposes, together with this state's proportionate share of the earnings of such unemployment trust fund, from which no other state is permitted to make withdrawals. If and when such unemployment trust fund ceases to exist, or such separate book account is no longer maintained, all moneys, properties, or securities therein, belonging to the unemployment compensation fund of this state shall be transferred to the treasurer of the unemployment compensation fund, who shall hold, invest, transfer, sell, deposit, and release such moneys, properties, or securities in a manner approved by the commission, in accordance with the provisions of this chapter; provided, that such moneys shall be invested in the following readily marketable classes of securities: Bonds or other interest-bearing obligations of the United States of America and of the state of New Jersey; and provided further, that such investment shall at all times be so made that all the assets of the fund shall always be readily convertible into cash when needed for the payment of benefits. The treasurer shall dispose of securities or other properties belonging to the unemployment compensation fund only under the direction of the commission.

Source. L. 1936, c. 270, §9, p. 1060.

43:21-10. Unemployment compensation commission. (a) Organization. There is hereby created a commission to be known as the unemployment compensation commission of New Jersey. It shall consist of seven members who shall be ap-

pointed by the governor, with confirmation by the senate, not more than four of whom shall be of the same political affiliation. They shall serve without salary; provided, however, that their necessary expenses shall be paid. No person may be appointed who is an officer or committee member of any political party organization. First appointees to the commission shall serve as designated by the governor at the time of appointment, as follows: one for a term of one year, one for a term of two years, one for a term of three years, one for a term of four years, one for a term of five years, one for a term of six years, and one for a term of seven years. At the expiration of initial terms, appointments shall be made for a term of seven years in each case. Any vacancies created by death, resignation or removal shall be filled by appointment for the unexpired portion of the term so vacated.

The governor may, at any time after a fair public hearing, remove any member of the commission for gross inefficiency, neglect of duty, malfeasance, misfeasance or nonfeasance in office.

(b) Executive director. The commission shall appoint an executive director who shall be the chief executive and approval officer of the commission and its official agent for all purposes, and who shall hold office at its pleasure. He shall give his full time to the duties of this office, shall be paid a suitable salary to be fixed by the commission and shall have general charge and supervision of the work of all departments of the commission as well as any subdivisions thereof.

It shall be the duty of the executive director to administer this chapter with the advice of the commission; and to that end, the executive director shall have the following duties and powers:

(1) To formulate necessary rules and regulations, subject to approval by the commission.

(2) To appoint and fix the compensation of members of the staff, subject to approval by the commission; such appointments shall be made subject to the provisions of Title 11, Civil Service, at such compensation as may be fixed by the New Jersey civil service commission.

(3) To make such expenditures as are necessary in the discharge of his functions hereunder as provided for in the budget to be approved annually by the commission, to make requisitions for any funds provided by the federal government for administration of this chapter, and he is hereby authorized to draw vouchers on the administration fund for the purpose of administering this chapter.

(4) To draw vouchers upon the unemployment compensation fund and the appropriate accounts therein for the payment of benefits.

(5) To delegate to other persons any of the powers conferred upon him by this chapter, so far as is reasonably necessary.

(c) Divisions. The executive director shall establish such administrative divisions as may be necessary to carry out the purposes of this chapter, subject to approval of the commission. Among such divisions shall be New Jersey state employment service division, established pursuant to section 43:21-12 of this title. The New Jersey state

employment service shall be a separate administrative unit with respect to personnel, budget, and duties, except in so far as the commission may find such separation to be impracticable.

(d) Board of review. The executive director shall appoint, subject to the provisions of Title 11, Civil Service, from civil service eligible lists, subject to approval of the commission, a board of review, consisting of three members whose duties shall be to act as a final appeals board in cases of dispute and to whom shall be delegated the duty of supervising the work of local appeal tribunals to be organized as provided for elsewhere in this chapter. No member of the board of review shall participate in any case in which he is an interested party.

(e) Powers and duties. The commission shall have the following specific powers and duties:

(1) To designate its chairman.

(2) To study the operation of this chapter and from time to time prepare recommendations to the governor and legislature with respect to any improvements which might be desirable.

(3) To make rules and regulations governing its own procedure.

(4) To advise the executive director and other members of the commission staff with particular respect to policies and procedures.

(f) Quorum. Any four commissioners shall constitute a quorum. No vacancies shall impair the right of the remaining commissioners to exercise all of the powers of the commission.

Source. L. 1936, c. 270, §10, p. 1063.

43:21-11. Administration. (a) Duties and powers of the commission. It shall be the duty of the commission to determine all matters of policy; and it shall have power and authority to adopt, amend, or rescind such rules and regulations, require such reports, make such investigations, and take such other action as it deems necessary or suitable to that end or to administer this chapter; provided, that the commission may delegate such power and authority to the executive director subject to their ultimate supervision and control. Such rules and regulations shall be effective upon publication in the manner, not inconsistent with the provisions of this chapter, which the commission shall prescribe. The commission shall determine its own organization and methods of procedure in accordance with the provisions of this chapter, and shall have an official seal which shall be judicially noticed. Not later than the first day of February of each year, the commission shall submit to the governor a report covering the administration and operation of this chapter during the preceding calendar year and shall make such recommendations for amendments to this chapter as the commission deems proper. Such report shall include a balance sheet of the moneys in the fund in which there shall be provided, if possible, a reserve against the liability in future years to pay benefits in excess of the then current contributions, which reserve shall be set up by the commission in accordance with accepted actuarial principles on the basis of statistics of employment, business activity, and other relevant factors for

the longest possible period. Whenever the commission believes that a change in contribution or benefit rates will become necessary to protect the solvency of the fund, it shall promptly so inform the governor and the legislature, and make recommendations with respect thereto. The commission shall make a study of the problem of paying partial benefits for partial unemployment.

(b) Regulations and general and special rules. General and special rules may be adopted, amended, or rescinded by the commission. General rules shall become effective ten days after filing with the secretary of state and publication in one or more newspapers of general circulation in this state. Special rules shall become effective ten days after notification to or mailing to the last known address of the individuals or concerns affected thereby. Regulations may be adopted, amended, or rescinded by the commission and shall become effective in the manner and at the time prescribed by the commission.

(c) Publication. The commission shall cause to be printed for distribution to the public the text of this chapter, the commission's regulations and general rules, its annual reports to the governor, and any other material the commission deems relevant and suitable and shall furnish the same to any person upon application therefor.

(d) Personnel. Subject to other provisions of this chapter, the commission is authorized to appoint, subject to the provisions of Title 11, Civil Service, fix the compensation, and prescribe the duties and powers of such officers, accountants, attorneys, experts, and other persons as may be necessary in the performance of its duties. All positions shall be filled by persons selected and appointed on a nonpartisan merit basis from lists of eligible persons prepared by the civil service commission, subject to the provisions of Title 11, Civil Service. The commission shall not employ or pay any person who is an officer or committee member of any political party organization. The commission may delegate to any such person so appointed such power and authority as it deems reasonable and proper for the effective administration of this chapter, and may in its discretion bond any person handling moneys or signing checks hereunder.

(e) Advisory councils. The commission shall appoint a state advisory council of six members and local advisory councils of four members each, composed in each case of an equal number of employer representatives and employee representatives who may fairly be regarded as representative because of their vocation, employment, or affiliations, and of such members representing the general public as the commission may designate. Such councils shall aid the commission in formulating policies and discussing problems related to the administration of this chapter and in assuring impartiality and freedom from political influence in the solution of such problems. Such advisory councils shall serve without compensation, but shall be reimbursed for any necessary expenses.

(f) Employment stabilization. The commission, with the advice and aid of its advisory councils,

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and through its appropriate divisions, shall take all appropriate steps to reduce and prevent unemployment; to encourage and assist in the adoption of practical methods of vocational training, retraining and vocational guidance; to investigate, recommend, advise, and assist in the establishment and operation, by municipalities, counties, school districts, and the state, of reserves for public works to be used in times of business depression and unemployment; to promote the re-employment of unemployed workers throughout the state in every other way that may be feasible; and to these ends to carry on and publish the results of investigations and research studies.

(g) Records and reports. Each employing unit shall keep true and accurate employment records, containing such information as may be prescribed. Such records shall be open to inspection and be subject to being copied by the commission or its authorized representatives at any reasonable time. The executive director may require from any employing unit any sworn or unsworn reports, with respect to persons employed by it, which is deemed necessary for the effective administration of this chapter. Information thus obtained shall not be published or be open to public inspection (other than to public employees in the performance of their public duties) in any manner revealing the employing unit's identity, but any claimant at a hearing before an appeal tribunal, the commission or the board of review, shall be supplied with information from such records to the extent necessary for the proper presentation of his claim. Any employee or member of the commission who violates any provision of this section shall be liable to a fine of not less than twenty dollars (\$20.00) nor more than two hundred dollars (\$200.00), to be recovered in an action at law in the name of the commission, said fine when recovered to be paid to the unemployment compensation fund for the use of said fund.

(h) Oaths and witnesses. In the discharge of the duties imposed by this chapter the chairman of an appeal tribunal and any duly authorized representative or member of the commission, the executive director or any deputy director thereof or member of the board of review shall have power to administer oaths, take depositions, certify to official acts, and issue subpoenas to compel the attendance of witnesses and the production of books, papers, correspondence, memoranda, and other records deemed necessary as evidence in connection with a disputed claim or the administration of this chapter.

(i) Subpoenas. In case of contumacy by, or refusal to obey a subpoena issued to any person, any court of this state within the jurisdiction of which the inquiry is carried on or within the jurisdiction of which said person guilty of contumacy or refusal to obey is found or resides or transacts business, upon application by the commission or its duly authorized representative, or the board of review, shall have jurisdiction to issue to such person an order requiring such person to appear before the board of review or a member thereof, a commissioner, the commission, the executive di-

rector, or his duly authorized representative, there to produce evidence if so ordered or there to give testimony touching the matter under investigation or in question; and any failure to obey such order of the court may be punished by said court as a contempt thereof. Any person who shall without just cause fail or refuse to attend and testify or to answer any lawful inquiry or to produce books, papers, correspondence, memoranda, and other records, if it is in his power so to do, in obedience to a subpoena of the commission or of the board of review shall be punished by a fine of not more than two hundred dollars (\$200.00) or by imprisonment for not longer than sixty days, or by both such fine and imprisonment, and each day such violation continues shall be deemed to be a separate offense.

(j) Protection against self-incrimination. No person shall be excused from attending and testifying or from producing books, papers, correspondence, memoranda, and other records before the commission or the board of review or in obedience to the subpoena of a member of the commission or the executive director thereof, the board of review or a member thereof, or any duly authorized representative of the commission in any cause or proceeding before the commission, the board of review or a member thereof, on the ground that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no individual shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, documentary or otherwise, except that such individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

(k) State-federal co-operation. In the administration of this chapter, the commission shall co-operate to the fullest extent consistent with the provisions of this chapter, with the social security board, created by the social security act, approved August fourteenth, one thousand nine hundred and thirty-five, as amended; shall make such reports, in such form and containing such information as the social security board may from time to time require, and shall comply with such provisions as the social security board may from time to time find necessary to assure the correctness and verification of such reports; and shall comply with the regulations prescribed by the social security board governing the expenditures of such sums as may be allotted and paid to this state under Title III of the social security act for the purpose of assisting in the administration of this chapter.

Upon request therefor the executive director shall furnish to any agency of the United States charged with the administration of public works or assistance through public employment, the name, address, ordinary occupation, and employment status of each recipient of benefits and such recipient's rights to further benefits under this chapter.

Source. L. 1936, c. 270, §11, p. 1066.

43:21-12. Employment service. (a) State employment service. The employment bureau of the New Jersey department of labor and its present personnel, including those employed by the New Jersey national re-employment service, is hereby transferred to the commission as a division thereof, which shall establish and maintain free public employment offices in such number and in such places as may be necessary for the proper administration of this chapter and for the purpose of performing such duties as are within the purview of the act of congress entitled "An act to provide for the establishment of a national employment system and for co-operation with the states in the promotion of such system, and for other purposes," approved June sixth, one thousand nine hundred and thirty-three (48 Stat. 113; U. S. C. title 29, sec. 49 (c)), as amended. The said division shall be administered by a full-time salaried director, who shall be charged with the duty, subject to the supervision of the commission and the executive director, to co-operate with any official or agency of the United States having powers or duties under the provisions of the said act of congress, as amended, and to do and perform all things necessary to secure to this state the benefits of the said act of congress, as amended, in the promotion and maintenance of a system of public employment offices. The provisions of the said act of congress, as amended, are hereby accepted by this state, in conformity with section four of said act, and this state will observe and comply with the requirements thereof. The New Jersey state employment service division is hereby designated and constituted the agency of this state for the purpose of said act. The executive director, with the approval of the commission, is empowered to appoint, subject to the provisions of Title 11, Civil Service, the director, other officers, and employees, subject to the provisions aforesaid, of the New Jersey state employment service on a nonpartisan merit basis from lists of eligible persons prepared by the civil service commission and in accordance with regulations prescribed by the director of the United States employment service; provided, however, that present employees having civil service status shall retain full rights as provided in Title 11, Civil Service.

(b) Financing. All moneys received by this state under the said act of congress, as amended, shall be paid into the special "employment service account" in the unemployment compensation administration fund, and said moneys are hereby made available to the New Jersey state employment service to be expended as provided by this section and by said act of congress. For the purpose of establishing and maintaining free public employment offices, said division is authorized to enter into agreements with any political subdivision of this state or with any private, nonprofit organization, and as a part of any such agreement the commission may accept moneys, services, or quarters as a contribution to the employment service account.

Source. L. 1936, c. 270, §12, p. 1072.

43:21-13. Unemployment compensation administration fund. (a) Special fund. There is hereby created in the state treasury a special fund to be known as the unemployment compensation administration fund. All moneys which are deposited or paid into this fund are hereby appropriated and made available to the commission. All moneys in this fund shall be expended solely for the purpose of defraying the cost of the administration of this chapter, and for no other purpose whatsoever. The fund shall consist of all moneys appropriated by this state, and all moneys received from the United States of America, or any agency thereof, including the social security board and the United States employment service, or from any other source, for such purpose. All moneys in this fund shall be deposited, administered, and disbursed, in the same manner and under the same conditions and requirements as is provided by law for other special funds in the state treasury. Any balances in this fund shall not lapse at any time, but shall be continuously available to the commission for expenditure consistent with this chapter. The state treasurer shall give a separate and additional bond conditioned upon the faithful performance of his duties in connection with the unemployment compensation administration fund in an amount to be fixed by the commission and in a form prescribed by law or approved by the attorney general. The premiums for such bond and the premiums for the bond given by the treasurer of the unemployment compensation fund under section 43:21-9 of this title shall be paid from the moneys in the unemployment compensation administration fund.

(b) Employment service account. A special "employment service account" shall be maintained as a part of the unemployment compensation administration fund for the purpose of maintaining the public employment offices established pursuant to section 43:21-12 of this title and for the purpose of co-operating with the United States employment service. There is hereby appropriated to this account the balance of any sum previously appropriated to the employment service, and such additional sum as to equal sixty-five thousand dollars (\$65,000.00) for the remainder of the fiscal year ending June thirtieth, one thousand nine hundred and thirty-seven. The governor shall fix and determine and state in his annual budget message a sum sufficient to pay the estimated amount of the state's net share of the cost of the employment service as provided in this chapter. The legislature shall include the amount so determined and stated in the annual appropriation bill. In addition, there shall be paid into such account the moneys designated in subsection (b) of section 43:21-12 of this title, and such moneys as are apportioned for the purposes of this account from any moneys received by this state under Title III of the social security act, as amended.

Source. L. 1936, c. 270, §13, p. 1073.

43:21-14. Collection of contributions. (a) Report and payment of contributions. Every employer shall file with the commission periodical reports on such forms and at such times as the commission shall prescribe, to disclose his liability

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for contributions under the provisions of this chapter, and at the time of filing each such report the commission may require payment of the contributions required by this chapter for the period covered by such report. The commission may require that such reports shall be under oath of the employer. Any employer who shall fail to file any such report and pay the contributions on or before the date they are due, shall pay a penalty of one dollar (\$1.00) for each day from such due date until the report shall be filed with the commission and, in addition thereto, shall pay interest at the rate of one per cent (1%) a month on the unpaid contributions from such due date until the date of payment thereof with the accrued interest thereon.

(b) Tax a debt and lien; proceedings to recover; preference. The contributions, penalties, and interest due from any employer under the provisions of this chapter, from the time they shall be due, shall be a personal debt of the employer to the state of New Jersey, recoverable in any court of competent jurisdiction in an action at law in the name of the state of New Jersey. Such debt, whether sued upon or not, shall be a lien on all the property of the debtor except as against an innocent purchaser for value in the usual course of business and without notice thereof, and shall have preference in any distribution of the assets of the employer, whether in bankruptcy, insolvency or otherwise.

(c) Arbitrary assessment. If any employer shall fail to make any report as required by the rules and regulations of the commission pursuant to the provisions of this chapter, the commission may make an estimate of the liability of such employer from any information it may obtain and, according to such estimate so made, assess such employer for the contributions, penalties, and interest due the state from him, give notice of such assessment to the employer, and make demand upon him for payment.

(d) Deficiency assessment. After a report is filed under the provisions of this chapter and the rules and regulations of the commission, the commission shall cause the report to be examined and shall make such further audit and investigation as it may deem necessary, and if therefrom there shall be determined that there is a deficiency with respect to the payment of the contributions due from such employer, the commission shall assess the additional contributions, penalties, and interest due the state from such employer, give notice of such assessment to the employer, and make demand upon him for payment.

(e) Certificates of debt; judgment; procedure thereon. As an additional or alternative remedy, the commission may issue a certificate to the clerk of the supreme court or the clerk of the court of common pleas of any county that any employer is indebted under this chapter in such an amount as shall be named in such certificate, and thereupon the clerk to whom such certificate shall have been issued shall immediately enter upon his record of docketed judgments the name of such person, the name of the state, the amount of the debt so

certified, a description of the liability under this chapter, and the date of making such entries. The making of such entries shall have the same force and effect as the entry of a docketed judgment in the office of such clerk, and the commission shall have all the remedies and may take all the proceedings for the collection thereof which may be had or taken upon the recovery of a judgment in an action at law upon contract, but without prejudice to the employer's right of appeal.

(f) Priorities under legal dissolutions or distributions. In the event of any distribution of an employer's assets pursuant to an order of any court under the laws of this state, including any receivership, assignment for benefit of creditors, adjudicated insolvency, composition, or similar proceeding, contributions then or thereafter due shall be paid in full prior to all other claims except taxes and claims for remuneration of not more than two hundred fifty dollars (\$250.00) to each claimant, earned within six months of the commencement of the proceeding. In the event of an employer's adjudication in bankruptcy, judicially confirmed extension proposal, or composition, under the federal bankruptcy act of 1898, as amended, contributions then or thereafter due shall be entitled to such priority as is provided in section sixty-four (b) of that act (U. S. C., Title XI, sec. 104 (b), as amended).

(g) Refunds. If not later than one year after the date on which any contributions or interest thereon became due, an employer who has paid such contributions or interest thereon shall make application for an adjustment thereof in connection with subsequent contribution payments, or for a refund thereof because such adjustment cannot be made, and the commission or executive director shall determine that such contributions or interest or any portion thereof was erroneously collected, such employer shall be allowed to make an adjustment thereof, without interest, in connection with subsequent contribution payments by him, or if such adjustment cannot be made the said amount shall be refunded, without interest, from the fund. For like cause and within the same period, adjustment or refund may be so made on the initiative of the commission through the executive director.

(h) All interest and penalties collected pursuant to this section shall be paid into the unemployment compensation fund.

Source. L. 1936, c. 270, §14, p. 1075.

43:21-15. Protection of rights and benefits.
(a) Waiver of rights void. Any agreement by an individual to waive, release, or commute his rights to benefits or any other rights under this chapter shall be void. No agreement by any individual in the employ of any person or concern to pay all or any portion of an employer's contributions, required under this chapter from such employer, shall be valid. No employer shall directly or indirectly make or require or accept any deduction from the remuneration of any individual in his employ to finance the employer's contributions required from him, or require or accept any waiver of any right hereunder by any individual in his employ. Any employer or officer or agent of an

violates any provision of this subsection, for each offense, be fined not less than one hundred dollars (\$100.00) nor more than one thousand dollars (\$1,000.00) or be imprisoned for more than six months, or both.

Limitation of fees. No individual claiming benefits shall be charged fees of any kind in any proceeding under this chapter by the commission or its representatives or by any court or any officer thereof. Any individual claiming benefits in any proceeding before the board of review or a court may be represented by counsel or other duly authorized agent; but no such counsel or agents shall either charge or receive for such services more than an amount approved by the board of review. Any person who violates any provision of this subsection shall, for each such offense, be fined not less than fifty dollars (\$50.00) nor more than five hundred dollars (\$500.00), or imprisoned for not more than six months, or both.

(c) **No assignment of benefits; exemptions.** Any assignment, pledge, or encumbrance of any right to benefits which are or may become due or payable under this chapter shall be void; and such rights to benefits shall be exempt from levy, execution, attachment, or any other remedy whatsoever provided for the collection of debt; and benefits received by any individual, so long as they are not mingled with other funds of the recipient, shall be exempt from any remedy whatsoever for the collection of all debts except debts incurred for necessities furnished to such individual or his spouse or dependents during the time when such individual was unemployed. Any waiver of any exemption provided for in this subsection shall be void. Source. L. 1936, c. 270, §15, p. 1078.

43:21-16. Penalties. (a) Whoever makes a false statement or representation knowing it to be false or knowingly fails to disclose a material fact, to obtain or increase any benefit or other payment under this chapter, either for himself or for any other person, shall be liable to a fine of not less than twenty dollars (\$20.00) nor more than fifty dollars (\$50.00), to be recovered in an action at law in the name of the commission, said fine when recovered to be paid to the unemployment compensation fund for the use of said fund; and each such false statement or representation or failure to disclose a material fact shall constitute a separate offense.

(b) Any employing unit or any officer or agent of an employing unit or any other person who makes a false statement or representation knowing it to be false, or who knowingly fails to disclose a material fact, to prevent or reduce the payment of benefits to any individual entitled thereto, or to avoid becoming or remaining subject hereto or to avoid or reduce any contribution or other payment required from an employing unit under this chapter, or who willfully fails or refuses to make any such contributions or other payment or to furnish any reports required hereunder or to produce or permit the inspection or copying of records as required hereunder, shall be liable to a fine of not less than twenty dollars (\$20.00) nor more than two hundred dollars (\$200.00), to be recovered in an action at law in the name of the

commission. Said fine when recovered to be paid to the unemployment compensation fund for the use of said fund; and each such false statement or representation or failure to disclose a material fact, and each day of such failure or refusal shall constitute a separate offense.

(c) Any person who shall willfully violate any provision of this chapter or any rule or regulation thereunder, the violation of which is made unlawful or the observance of which is required under the terms of this chapter, and for which a penalty is neither prescribed herein nor provided by any other applicable statute, shall be liable to a fine of not less than twenty dollars (\$20.00) nor more than two hundred dollars (\$200.00), to be recovered in an action at law in the name of the commission, said fine when recovered to be paid to the unemployment compensation fund for the use of said fund; and each day such violation continues shall be deemed to be a separate offense.

(d) Any person who, by reason of the nondisclosure or misrepresentation by him or by another, of a material fact (irrespective of whether such nondisclosure or misrepresentation was known or fraudulent) has received any sum as benefits under this chapter while any conditions for the receipt of benefits imposed by this chapter were not fulfilled in his case, or while he was disqualified from receiving benefits, shall, in the discretion of the commission, either be liable to have such sum deducted from any future benefits payable to him under this chapter or shall be liable to repay to the commission for the unemployment compensation fund, a sum equal to the amount so received by him, and such sum shall be collectible in the manner provided in subsection (e) of section 43:21-14 of this title for the collection of past-due contributions. Source. L. 1936, c. 270, §16, p. 1079.

43:21-17. Representation in court. (a) In any civil action to enforce the provisions of this chapter the commission and the state may be represented by any qualified attorney who is a regular salaried employee of the commission or is designated by it for this purpose or at the commission's request, by the attorney general. Source. L. 1936, c. 270, §17, p. 1080.

43:21-18. Nonliability of state. Benefits shall be deemed to be due and payable under this chapter only to the extent provided in this chapter and to the extent that moneys are available therefor to the credit of the unemployment compensation fund, and neither the state, the commission nor any representative thereof shall be liable for any amount in excess of such sums. Source. L. 1936, c. 270, §18, p. 1081.

43:21-19. Definitions. As used in this chapter, unless the context clearly requires otherwise:

(a) (1) "Annual pay roll" means the total amount of wages payable by an employer (regardless of the time of payment) for employment during a calendar year.

(2) "Average annual pay roll" means the average of the annual pay rolls of any employer for the last three or five preceding calendar years, whichever average is higher.

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(b) "Benefits" means the money payments payable to an individual, as provided in this chapter, with respect to his unemployment.

(c) The term "base year" means the first four of the last five completed calendar quarters immediately preceding the first day of an individual's benefit year.

(d) "Benefit year", with respect to any individual means the fifty-two consecutive week periods beginning with the first day of the first week with respect to which benefits are first payable to him, and thereafter, the fifty-two consecutive week periods beginning with the first day of the first week with respect to which benefits are next payable to him after the termination of his last preceding benefit year.

(e) "Commission" means the unemployment compensation commission established by section 43:21-10 of this title, and for purposes of this chapter any transaction or exercise of authority by the executive director shall be deemed to be performed by the commission.

(f) "Contributions" means the money payments to the state unemployment compensation fund required by this chapter.

(g) "Employing unit" means any individual or type of organization, including any partnership, association, trust, estate, joint-stock company, insurance company or corporation, whether domestic or foreign, or the receiver, trustee in bankruptcy, trustee or successor thereof, or the legal representative of a deceased person, which has or subsequent to January first, one thousand nine hundred and thirty-six, had in its employ one or more individuals performing services for it within this state. All individuals performing services within this state for any employing unit which maintains two or more separate establishments within this state shall be deemed to be employed by a single employing unit for all the purposes of this chapter. Whenever any employing unit contracts with or has under it any contractor or subcontractor for any employment which is part of its usual trade, occupation, profession, or business, unless the employing unit as well as each such contractor or subcontractor is an employer by reason of subsection (c) of section 43:21-8 of this title or subsection (h) of this section, the employing unit shall for all the purposes of this chapter be deemed to employ each individual in the employ of each such contractor or subcontractor for each day during which such individual is engaged in performing such employment; except that each such contractor or subcontractor who is an employer by reason of subsection (c) of section 43:21-8 of this title or subsection (h) of this section, shall alone be liable for the contributions measured by wages payable to individuals in his employ, and except that any employing unit who shall become liable for and pay contributions with respect to individuals in the employ of any such contractor or subcontractor who is not an employer by reason of subsection (c) of section 43:21-8 of this title or subsection (h) of this section, may recover the same from such contractor or subcontractor. Each individual employed to perform or to assist in performing the work of any agent or

employee of an employing unit shall be deemed to be employed by such employing unit for all the purposes of this chapter, whether such individual was hired or paid directly by such employing unit or by such agent or employee, provided the employing unit had actual or constructive knowledge of the work.

(h) "Employer" means:

(1) Any employing unit which for some portion of a day, but not necessarily simultaneously, in each of twenty different weeks, whether or not such weeks are or were consecutive, within either the current or the preceding calendar year, has or had in employment, eight or more individuals (irrespective of whether the same individuals are or were employed in each such day);

(2) Any employing unit which acquired the organization, trade or business, or substantially all the assets thereof, of another which at the time of such acquisition was an employer subject to this chapter;

(3) Any employing unit which acquired the organization, trade or business, or substantially all the assets thereof, of another employing unit and which, if treated as a single unit with such other employing unit, would be an employer under paragraph (1) of this subsection;

(4) Any employing unit which together with one or more other employing units, is owned or controlled (by legally enforceable means or otherwise) directly or indirectly by the same interests, or which owns or controls one or more other employing units (by legally enforceable means or otherwise), and which, if treated as a single unit with such other employing unit or interests, would be an employer under paragraph (1) of this subsection;

(5) Any employing unit which, having become an employer under paragraph (1), (2), (3), or (4), has not, under section 43:21-8 of this title, ceased to be an employer subject to this chapter; or

(6) For the effective period of its election pursuant to subsection (c) of section 43:21-8 of this title any other employing unit which has elected to become fully subject to this chapter.

(i) (1) "Employment" means service, including service in interstate commerce, performed for remuneration or under any contract of hire, written or oral, express or implied.

(2) The term "employment" shall include an individual's entire service, performed within or both within and without this state if:

(A) the service is localized in this state; or
(B) the service is not localized in any state but some of the service is performed in this state and (i) the base of operations, or, if there is no base of operations, then the place from which such service is directed or controlled, is in this state; or (ii) the base of operations or place from which such service is directed or controlled is not in any state in which some part of the service is performed, but the individual's residence is in this state.

(3) Services performed within this state but not covered under paragraph (2) of this subsection shall be deemed to be employment subject to this chapter if contributions are not required and paid with respect to such services under an unemploy-

ment compensation law of any other state or of the federal government.

(4) Services not covered under paragraph (2) of this subsection, and performed entirely without this state, with respect to no part of which contributions are required and paid under an unemployment compensation law of any other state or of the federal government, shall be deemed to be employment subject to this chapter if the individual performing such services is a resident of this state and the commission approves the election of the employing unit for whom such services are performed that the entire service of such individual shall be deemed to be employment subject to this chapter, provided written objections on the part of a substantial proportion of such individuals affected are not presented to the commission within ten days following the filing of such election.

(5) Service shall be deemed to be localized within a state if

(A) the service is performed entirely within such state; or

(B) the service is performed both within and without such state, but the service performed without such state is incidental to the individual's service within the state, for example, is temporary or transitory in nature or consists of isolated transactions.

(6) Services performed by an individual for remuneration shall be deemed to be employment subject to this chapter unless and until it is shown to the satisfaction of the commission that

(A) such individual has been and will continue to be free from control or direction over the performance of such services, both under his contract of service and in fact; and

(B) such service is either outside the usual course of the business for which such service is performed, or that such service is performed outside of all the places of business of the enterprise for which such service is performed; and

(C) such individual is customarily engaged in an independently established trade, occupation, profession or business.

(7) The term "employment" shall not include:

(A) Agricultural labor;

(B) Domestic service in a private home;

(C) Service performed as an officer or member of the crew of a vessel on the navigable waters of the United States;

(D) Service performed by an individual in the employ of his son, daughter, or spouse, and service performed by a child under the age of twenty-one in the employ of his father or mother;

(E) Service performed in the employ of this state, or of any political subdivision thereof, or of any instrumentality of this state or its political subdivisions;

(F) Service performed in the employ of any other state or its political subdivisions, or of the United States government, or of an instrumentality of any other state or states or their political subdivisions or of the United States;

(G) Service performed in the employ of a corporation, community chest, fund, or foundation, organized and operated exclusively for religious,

charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual.

(j) "Employment office" means a free public employment office, or branch thereof, operated by this state or maintained as a part of a state-controlled system of public employment offices.

(k) "Fund" means the unemployment compensation fund established by this chapter, to which all contributions required and from which all benefits provided under this chapter shall be paid.

(l) "State" includes, in addition to the states of the United States of America, Alaska, Hawaii, and the District of Columbia.

(m) "Total unemployment."

(1) An individual shall be deemed "totally unemployed" in any week with respect to which no remuneration is payable to him and during which he performs no services (other than odd jobs or subsidiary work for which no remuneration as used in this section is payable to him).

(2) As used in this subsection, the term "remuneration" shall include only that part of remuneration for odd jobs or subsidiary work, or both, which is in excess of three dollars (\$3.00) in any one week.

(3) An individual's week of unemployment shall be deemed to commence only after his registration at an employment office, except as the commission may by regulation otherwise prescribe.

(n) "Unemployment compensation administration fund" means the unemployment compensation administration fund established by this chapter, from which administrative expenses under this chapter shall be paid.

(o) "Wages" means remuneration payable by employers for employment.

(p) "Remuneration" means all compensation payable for personal services, including commissions and bonuses and the cash value of all compensation payable in any medium other than cash.

(q) "Week" means such period or periods of seven consecutive calendar days ending at midnight, as the commission may by regulation prescribe.

(r) "Calendar quarter" means the period of three consecutive calendar months ending on March thirty-first, June thirtieth, September thirtieth, or December thirty-first, excluding however any calendar quarter or portion thereof which occurs prior to January first, one thousand nine hundred and thirty-seven, or the equivalent thereof as the commission may by regulation prescribe.

(s) "Weekly benefit amount." An individual's "weekly benefit amount" means the amount of benefits he would be entitled to receive for one week of total unemployment and an individual's weekly benefit amount as determined for the first week of his benefit year shall constitute his weekly benefit amount throughout such benefit year.

Source. L. 1936, c. 270, §19, p. 1081.

43:21-20. Part-time workers.

(a) As used in this section the term "part-time worker" means an individual whose normal work

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is in an occupation in which his services are not required for the customary scheduled full-time hours prevailing in the establishment in which he is employed, or who, owing to personal circumstances, does not customarily work the customary scheduled full-time hours prevailing in the establishment in which he is employed.

(b) The commission shall approve fair and reasonable general rules applicable to part-time workers, for determining their full-time weekly wage, and the total wages required to qualify such workers for benefits.

Source. L. 1936, c. 270, §20, p. 1087.

43:21-21. Reciprocal benefit arrangements. The commission is hereby authorized to enter into arrangements with the appropriate agencies of other states or the federal government whereby potential rights to benefits accumulated under the unemployment compensation laws of several states or under such a law of the federal government, or both, may constitute the basis for the payment of benefits through a single appropriate agency

under terms which the commission finds will be fair and reasonable as to all affected interests and will not result in any substantial loss to the fund.

Source. L. 1936, c. 270, §21, p. 1088.

43:21-22. Saving clause. The legislature reserves the right to amend or repeal all or any part of this chapter at any time; and there shall be no vested private right of any kind against such amendment or repeal. All the rights, privileges, or immunities conferred by this chapter or by acts done pursuant thereto shall exist subject to the power of the legislature to amend or repeal this chapter at any time.

Source. L. 1936, c. 270, §22, p. 1088.

43:21-23. Separability of provisions. If any provision of this chapter, or the application thereof to any person or circumstance, is held invalid, the remainder of this chapter and the application of such provision to other persons or circumstances shall not be affected thereby.

Source. L. 1936, c. 270, §23, p. 1088.

Version Passed by
Senate and Assembly.

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STATE OF NEW JERSEY

ADOPTED MARCH 30, 1950

AN Act concerning unemployment compensation, and amending sections 43:21-3,
43:21-4, 43:21-5 and 43:21-7 of the Revised Statutes.

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

1 1. Section 43:21-3 of the Revised Statutes is amended to read as fol-
2 lows:

3 43:21-3. (a) Payment of benefits. Twenty-five months after the date
4 when contributions first accrue under this chapter, benefits shall become pay-
5 able from the fund; *provided*, that remuneration or services with respect to
6 which unemployment compensation is payable under the Railroad Unemploy-
7 ment Insurance Act (52 Stat. 1094), irrespective of when performed, shall
8 not be included for purposes of determining eligibility under subsection (e)
9 of section 43:21-4 of this chapter or the weekly benefit rate under subsec-
10 tion (c) of this section for the purpose of any benefit year commencing on
11 or after July first, one thousand nine hundred and thirty-nine, nor shall any
12 benefits with respect to unemployment occurring on and after July first, one
13 thousand nine hundred and thirty-nine, be payable under subsection (d) of
14 this section on the basis of such remuneration. All benefits shall be paid
15 through employment offices, or such other agencies as may be designated in
16 accordance with such regulations as may be prescribed hereunder.

17 (b) Weekly benefits for unemployment. Each eligible individual who is
18 unemployed (as defined in subsection (m) of section 43:21-19 of this chap-
19 ter) in any week shall be paid with respect to such week (except as to final
20 payment) an amount equal to his weekly benefit rate less any remuneration

21 in excess of three dollars (\$3.00) paid or payable to him for such week;
 22 *provided*, that such amount shall be computed to the next highest multiple of
 23 one dollar (\$1.00), if not already a multiple thereof.

24 (c) Weekly benefit rate. An individual's weekly rate shall be one-
 25 twenty-second of his total wages in that calendar quarter in which said total
 26 wages were highest during his base year; *provided*, that such rate shall be
 27 computed to the next highest multiple of one dollar (\$1.00) if not already a
 28 multiple thereof, and shall not be more than twenty-six dollars (\$26.00)
 29 nor less than ten dollars (\$10.00).

30 (d) Maximum total benefits. The maximum total amount of benefits
 31 payable to any eligible individual under either of subsections (c) and (f) of
 32 section 43:21-4 of this Title during any benefit year shall be either one-third
 33 of his total wages during his base year, computed to the next highest multiple
 34 of one dollar (\$1.00), if not already a multiple thereof, or twenty-six times
 35 his weekly benefit rate, whichever is the lesser; in no event, however, are
 36 such total benefits under either of said subsections (c) and (f) to be less than
 37 ten times his weekly benefit rate. In the event that an individual qualified
 38 for benefits under both of said subsections during any benefit year, the
 39 maximum total amount of benefits payable under said subsections combined
 40 to such individual during the benefit year shall be one and one-half times the
 41 maximum amount of benefits payable under one of said subsections.

1 2. Section 43:21-4 of the Revised Statutes is amended to read as follows:

2 43:21-4. An individual, totally or partially unemployed, shall be eligible
 3 to receive benefits with respect to any week only if it appears that:

4 (a) He has registered for work at, and thereafter continued to report
 5 at, an employment office in accordance with such regulations as the commis-
 6 sion may prescribe, except that the commission may, by regulation, waive or
 7 alter either or both of the requirements of this subsection as to individuals
 8 attached to regular jobs, and as to such other types of cases or situations with
 9 respect to which the commission finds that compliance with such require-
 10 ments would be oppressive, or would be inconsistent with the purpose of this

11 act; *provided*, that no such regulation shall conflict with subsection (a) of
12 section 43:21-3 of the Revised Statutes.

13 (b) He has made a claim for benefits in accordance with the provisions
14 of subsection (a) of section 43:21-6 of this Title.

15 (c) He is able to work, is available for work, and has demonstrated that
16 he is actively seeking work, except as provided in subsection (f) of this
17 section;

18 (d) Prior to the first week for which he claims benefits in any benefit
19 year he has been totally or partially unemployed for a waiting period of one
20 week in that benefit year. No week shall be counted as a week of unemploy-
21 ment for the purposes of this subsection:

22 (1) if benefits have been paid, or are payable with respect thereto;

23 (2) if it has constituted a waiting period week under the Temporary
24 Disability Benefits Law;

25 (3) unless the individual fulfills the requirements of subsections (a) and
26 (c) of this section.

27 (e) His wages within his base year were not less than twenty-five times
28 his weekly benefit amount.

29-33 (f) He has suffered any accident or sickness not compensable under the
34 workmen's compensation law (Title 34 of the Revised Statutes) and resulting
35 in his total disability to perform any work for remuneration, and would be
36 eligible to receive benefits under this chapter (without regard to the maxi-
37 mum amount of benefits payable during any benefit year) except for his
38 inability to work and has furnished notice and proof of claim to the commis-
39 sion, in accordance with its rules and regulations, and payment is not pre-
40 cluded by the provisions of subsection (g) hereof or of section 43:21-3 (d)
41 of this Title. Such benefit payments shall be charged to and paid from the
42 State disability benefits fund established by the Temporary Disability
43 Benefits Law, and shall not be charged to any employer account in comput-
44 ing any employer's experience rate for contributions payable under this
45 chapter.

46 (g) No benefits shall be payable under subsection (f) above to any
47 individual:

48 (1) for any period during which such individual is not under the care
49 of a legally licensed physician;

50 (2) for any period of disability due to pregnancy or resulting child-
51 birth, miscarriage, or abortion;

52 (3) for any period of disability due to willfully or intentionally self-
53 inflicted injury, or to injuries sustained in the perpetration by the individual
54 of a high misdemeanor;

55 (4) for any week with respect to which or a part of which he has
56 received or is seeking unemployment benefits under any unemployment
57 compensation or disability benefit law of any other State or of the United
58 States; *provided*, that if the appropriate agency of such other State or of the
59 United States finally determines that he is not entitled to such benefits, this
60 disqualification shall not apply;

61 (5) for the two weeks immediately following detachment from any
62 maritime services performed under shipping articles;

63 (6) for any week with respect to which or part of which he has received
64 or is seeking disability benefits under the Temporary Disability Benefits Law;

65 (7) for any period of disability commencing prior to January first, one
66 thousand nine hundred and forty-nine, or for any period of disability com-
67 mencing while such individual is a "covered individual" as defined in sub-
68 section three (b) of the Temporary Disability Benefits Law (chapter 110,
69 P. L. 1948), or after the expiration of twenty-six consecutive weeks during
70 which the individual has been unemployed and ineligible or disqualified for
71 benefits for such unemployment.

72 (h) Notwithstanding any other provision of this chapter, the director
73 may, to the extent that he deems efficient and economical, provide for con-
74 solidated administration by one or more representatives or deputies of claims
75 made pursuant to subsection (f) of this section with those made pursuant to
76 article III (State plan) of the Temporary Disability Benefits Law.

1 3. Section 43:21-5 of the Revised Statutes is amended to read as follows:

2 43:21-5. An individual shall be disqualified for benefits:

3 (a) For the week in which he has left work voluntarily without good
4 cause, and for each week thereafter until he has earned in employment (which
5 may be with an employing unit having in employment one or more individ-
5A uals) at least four times his weekly benefit rate, as determined in each case.

6 (b) For the week in which he has been discharged for misconduct con-
7 nected with his work, and for the five weeks which immediately follow such
8 week (in addition to the waiting period), as determined in each case.

9 (c) If it is found that he has failed, without good cause, either to apply
10 for available, suitable work when so directed by the employment office or the
11 director or to accept suitable work when offered him, or to return to his cus-
12 tomary self-employment (if any) when so directed by the director. Such dis-
13 qualification shall continue for the week in which such failure occurred and
14 for the three weeks which immediately follow such week (in addition to the
15-18 waiting period), as determined:

19 (1) In determining whether or not any work is suitable for an
20 individual, consideration shall be given to the degree of risk involved to
21 his health, safety and morals, his physical fitness and prior training, his
22 experience and prior earnings, his length of unemployment and prospects
23 for securing local work in his customary occupation, and the distance of
24 the available work from his residence.

25 (2) Notwithstanding any other provisions of this chapter, no work
26 shall be deemed suitable and benefits shall not be denied under this chap-
27 ter to any otherwise eligible individual for refusing to accept new work
28 under any of the following conditions: (a) If the position offered is
29 vacant due directly to a strike, lockout, or other labor dispute; (b) if
30 the remuneration, hours, or other conditions of the work offered are sub-
31 stantially less favorable to the individual than those prevailing for
32 similar work in the locality; (c) if as a condition of being employed the
33 individual would be required to join a company union or to resign from
34 or refrain from joining any bona fide labor organization.

35 (d) For any week with respect to which it is found that his unem-
 36 ployment is due to a stoppage of work which exists because of a labor
 37 dispute at the factory, establishment, or other premises at which he is or was
 38 last employed; *provided*, that this subsection shall not apply if it is shown
 39 that:

40 (1) He is not participating in or financing or directly interested in
 41 the labor dispute which caused the stoppage of work; and

42 (2) He does not belong to a grade or class of workers of which,
 43 immediately before the commencement of the stoppage, there were mem-
 44 bers employed at the premises at which the stoppage occurs, any of
 45 whom are participating in or financing or directly interested in the dis-
 46 pute; *provided*, that if in any case in which (1) or (2) above applies
 47 separate branches of work which are commonly conducted as separate
 48 businesses in separate premises are conducted in separate departments
 49 of the same premises, each such department shall, for the purposes of
 50 this subsection, be deemed to be a separate factory, establishment, or
 51 other premises.

52 (e) For any week with respect to which he is receiving or has received
 53 remuneration in lieu of notice.

54 (f) For any week with respect to which or a part of which he has
 55 received or is seeking unemployment benefits under an unemployment com-
 56 pensation law of any other State or of the United States; *provided*, that if
 57 the appropriate agency of such other State or of the United States finally
 58 determines that he is not entitled to such unemployment benefits, this dis-
 59 qualification shall not apply.

60 (g) For the two weeks immediately following detachment from any
 61 maritime services performed under shipping articles.

1 4. Section 43:21-7 of the Revised Statutes is amended to read as follows:

2 43:21-7. (a) Payment.

3 (1) On and after December first, one thousand nine hundred and thirty-
 4 six, contributions shall accrue and become payable by each employer for each

5 calendar year in which he is subject to this chapter, with respect to having
6 individuals in his employ during such calendar year at the rates and on the
7 basis hereinafter set forth, except that for the month of December, one thou-
8 sand nine hundred and thirty-six, such contributions shall accrue and become
9 payable with respect to having individuals in his employ during the month
10 of December, one thousand nine hundred and thirty-six. Such contributions
11 shall become due and be paid by each employer to the Division of Employ-
12 ment Security for the fund in accordance with such regulations as may be
13 prescribed, and shall not be deducted, in whole or in part, from the
14 remuneration of individuals in his employ.

15 (2) In the payment of any contributions, a fractional part of a cent shall
16 be disregarded unless it amounts to one-half cent (\$0.005) or more, in which
17 case it shall be increased to one cent (\$0.01).

18 (b) Rate of contributions. Each employer shall pay the following con-
19 tributions:

20 (1) Ten and eight-tenths per centum (10 $\frac{8}{10}\%$) of wages payable with
21 respect to employment during the month of December, one thousand nine
22 hundred and thirty-six and paid prior to January first, one thousand nine
23 hundred and forty-seven; *provided*, that if the total of such contributions at
24 such ten and eight-tenths per centum (10 $\frac{8}{10}\%$) rate equals less than nine-
25 tenths of one per centum ($\frac{9}{10}$ of 1%) of the annual payroll of any
26 employer payable for the calendar year one thousand nine hundred and
27 thirty-six, such employer shall pay, not later than January twenty-fifth, one
28 thousand nine hundred and thirty-seven, an additional lump-sum contribution
29 with respect to employment for such one month's period beginning Decem-
30 ber first, one thousand nine hundred and thirty-six, equal to the difference
31 between nine-tenths of one per centum ($\frac{9}{10}$ of 1%) of his annual payroll
32 payable for the calendar year one thousand nine hundred and thirty-six and
33 the total of his contributions at such ten and eight-tenths per centum
34 (10 $\frac{8}{10}\%$) for such one month's period beginning December first, one thou-
35 sand nine hundred and thirty-six; *and provided further*, that the total of

36 such contributions with respect to employment for such one month's period
37 beginning December first, one thousand nine hundred and thirty-six, shall
38 not exceed nine-tenths of one per centum ($9/10$ of 1%) of such employer's
39 annual payroll payable for the calendar year one thousand nine hundred and
40 thirty-six.

41 (2) One and eight-tenths per centum ($1\frac{8}{10}\%$) of wages payable with
42 respect to employment during the calendar year one thousand nine hundred
43 and thirty-seven and paid prior to January first, one thousand nine hundred
44 and forty-seven;

45 (3) Two and seven-tenths per centum ($2\frac{7}{10}\%$) of wages payable with
46 respect to employment during the calendar years one thousand nine hundred
47 and thirty-eight, one thousand nine hundred and thirty-nine, one thousand
48 nine hundred and forty and one thousand nine hundred and forty-one and
49 paid prior to January first, one thousand nine hundred and forty-seven; and,
50 except as otherwise prescribed by subsection (c) of this section, also during
51 the calendar years one thousand nine hundred and forty-two to one thousand
52 nine hundred and forty-six, inclusive, and paid prior to January first, one
53 thousand nine hundred and forty-seven; and

54 (4) For the calendar year one thousand nine hundred and forty-seven,
55 and each calendar year thereafter, two and seven-tenths per centum
56 ($2\frac{7}{10}\%$) of wages paid by him during each such calendar year, except as
57 otherwise prescribed by subsection (c) of this section.

58 (5) The "wages" of any individual, with respect to any one employer
59 as the term is used in this subsection (b) and in subsections (c), (d) and
60 (e) of this section seven, shall include:

61 (A) All remuneration payable for the month of December, one
62 thousand nine hundred and thirty-six, and for the calendar years one
63 thousand nine hundred and thirty-seven, one thousand nine hundred and
64 thirty-eight, one thousand nine hundred and thirty-nine, and paid prior
65 to January first, one thousand nine hundred and forty-seven;

66 (B) The first three thousand dollars (\$3,000.00) earned for each of
67 the calendar years one thousand nine hundred and forty to one thou-
68 sand nine hundred and forty-six, inclusive, and paid prior to January
69 first, one thousand nine hundred and forty-seven; and

70 (C) The first three thousand dollars (\$3,000.00) paid during the
71 calendar year one thousand nine hundred and forty-seven and during
72 each calendar year thereafter, for services either within or without this
73 State; *provided*, that no contribution shall be required by this State with
74 respect to services performed in another State if such other State im-
75 poses contribution liability with respect thereto.

76 (c) Future rates based on benefit experience: (1) A separate account
77 for each employer shall be maintained and this shall be credited with all the
78 contributions which he has paid on his own behalf on or before January
79 thirty-first of any calendar year with respect to employment occurring in
80 preceding calendar years. But nothing in this chapter shall be construed to
81 grant any employer or individuals in his service prior claims or rights to
82 the amounts paid by him into the fund either on his own behalf or on behalf
83 of such individuals. Benefits paid to any individual on or before January
84 thirty-first of any calendar year with respect to unemployment in preceding
85 calendar years shall be charged against the account of each of the employers
86 with whom such individual accrued the wage credits constituting the basis
87 of such benefits, in the same proportion as such wage credits with each such
88 employer bear to such wage credits with all such employers. The Division
89 of Employment Security shall furnish to each employer at such frequency
90 as the division shall, by regulation, prescribe, but in no case less frequently
91 than annually, a detailed statement of benefits charged to his account.

92 (2) The Division of Employment Security may prescribe regulations
93 for the establishment, maintenance, and dissolution of joint accounts by two
94 or more employers, and shall, in accordance with such regulations and upon
95 application by two or more employers to establish such an account, or to
96 merge their several individual accounts in a joint account, maintain such
97-115 joint account as if it constituted a single employer's account.

116 (3) Each employer's rate shall be two and seven-tenths per centum
117 ($2\frac{7}{10}\%$), except as otherwise provided in the following provisions: No
118 employer's rate shall be other than two and seven-tenths per centum
119 ($2\frac{7}{10}\%$) unless and until there shall have been three calendar years
120 throughout which any individual in his employ could have received benefits
121 if eligible.

122 (4) Each employer's rate for the twelve months commencing July first
123 of any calendar year shall be determined on the basis of his record up to the
124 beginning of such calendar year. If, at the beginning of such calendar year,
125 the total of all his contributions, paid on his own behalf, for all past years
126 exceeds the total benefits charged to his account for all such years, his con-
127 tribution rate shall be:

128 (A) Two and four-tenths per centum ($2\frac{4}{10}\%$), if such excess
129 equals or exceeds four per centum (4%), but is less than five per centum
130 (5%) of his average annual payroll (as defined in paragraph (2), sub-
131 section (a) of section 43:21-19 of this Title);

132 (B) Two and one-tenth per centum ($2\frac{1}{10}\%$), if such excess equals
133 or exceeds five per centum (5%), but is less than six per centum (6%)
134 of his average annual payroll;

135 (C) One and eight-tenths per centum ($1\frac{8}{10}\%$), if such excess
136 equals or exceeds six per centum (6%), but is less than seven per centum
137 (7%) of his average annual payroll;

138 (D) One and five-tenths per centum ($1\frac{5}{10}\%$), if such excess
139 equals or exceeds seven per centum (7%), but is less than eight per
140 centum (8%) of his average annual payroll;

141 (E) One and two-tenths per centum ($1\frac{2}{10}\%$), if such excess
142 equals or exceeds eight per centum (8%), but is less than nine per
143 centum (9%), of his average annual payroll;

144 (F) Nine-tenths of one per centum ($\frac{9}{10}$ of 1%), if such excess
145 equals or exceeds nine per centum (9%), but is less than ten per centum
146 (10%), of his average annual payroll;

147 (G) Six-tenths of one per centum ($6/10$ of 1%), if such excess
 148 equals or exceeds ten per centum (10%), but is less than eleven per
 149 centum (11%), of his average annual payroll;

150 (H) Three-tenths of one per centum ($3/10$ of 1%), if such excess
 151 equals or exceeds eleven per centum (11%) of his average annual pay-
 152 roll.

153 If the total of his contributions, paid on his own behalf, for all past
 154 periods, or for the past one hundred twenty consecutive calendar months,
 155 whichever period is more advantageous to such employer for the purposes
 156 of this paragraph, is less than the total benefits charged against his account
 157 during the same period, his rate shall be three per centum (3%).

158 (5) (A) If on March thirty-first of any calendar year the balance in
 159 the Unemployment Trust Fund equals or exceeds four per centum (4%) but is
 160 less than seven per centum (7%) of the total taxable wages reported to the
 161 division as of that date in respect to employment during the preceding
 162 calendar year, the contribution rate, effective July first following, of each
 163 employer eligible for a contribution rate calculation based upon benefit expe-
 164 rience, shall be increased by three-tenths of one per centum ($3/10$ of 1%)
 165 over the contribution rate otherwise established under the provisions of para-
 166 graph (4) of this subsection. If on March thirty-first of any calendar year
 167 the balance of the Unemployment Trust Fund is less than four per centum
 168 (4%) of the total taxable wages reported to the Division of Employment
 169 Security as of that date in respect to employment during the preceding
 170 calendar year, the contribution rate, effective July first following, of each
 171 employer eligible for a contribution rate calculation based upon benefit
 172 experience, shall be increased by six-tenths of one per centum ($6/10$ of 1%)
 173 over the contribution rate otherwise established under the provisions of
 174 paragraph (4) of this subsection; *provided*, that if on such March thirty-
 175 first, such balance is less than two and one-half per centum ($2\frac{1}{2}\%$) of such
 176 total taxable wages, the contribution rate so effective, of any employer, shall
 177 be not less than two and seven-tenths per centum ($27/10\%$); *provided*

178 *further*, that the contribution rate of any employer increased pursuant to
179 the provisions of this subparagraph, when so increased, shall not exceed
180 three and six-tenths per centum (3 6/10%).

181 (B) If on March thirty-first of any calendar year the balance in the
182 Unemployment Trust Fund equals or exceeds ten per centum (10%) but is
183 less than twelve and one-half per centum (12½%) of the total taxable wages
184 reported to the Division of Employment Security as of that date in respect
185 to employment during the preceding calendar year, the contribution rate,
186 effective July first following, of each employer eligible for a contribution
187 rate calculation based upon benefit experience, shall be reduced by three-
188 tenths of one per centum (3/10 of 1%) under the contribution rate other-
189 wise established under the provisions of paragraphs (3) and (4) of this
190 subsection; *provided*, that in no event shall the contribution rate of any
191 employer be reduced to less than three-tenths of one per centum (3/10 of
192 1%). If on March thirty-first of any calendar year the balance in the Unem-
193 ployment Trust Fund equals or exceeds twelve and one-half per centum
194 (12½%) of the total taxable wages reported to the division as of that date
195 in respect to employment during the preceding calendar year, the contribu-
196 tion rate, effective July first following, of each employer eligible for a
197 contribution rate calculation based upon benefit experience, shall be reduced
198 by six-tenths of one per centum (6/10 of 1%) if his account reflects an excess
199 of contributions paid over total benefits charged of three per centum (3%)
200 or more of his average annual payroll, otherwise by three-tenths of one per
201 centum (3/10 of 1%) under the contribution rate otherwise established
202 under the provisions of paragraphs (3) and (4) of this subsection; *provided*,
203 that in no event shall the contribution rate of any employer be reduced to
204 less than three-tenths of one per centum (3/10 of 1%).

205 (6) Additional contributions.

206 Notwithstanding any other provision of law, any employer who has been
207 assigned a contribution rate pursuant to subsection (c) of this section for
208 the year commencing July first, one thousand nine hundred and forty-eight,

209 and for any year commencing July first thereafter, may voluntarily make
210 payment of additional contributions, and upon such payment shall receive
211 a recomputation of the experience rate applicable to such employer in-
212 cluding in the calculation the additional contribution so made. Any such
213 additional contribution shall be made during the thirty-day period follow-
214 ing the date of the mailing to the employer of the notice of his contribution
215 rate as prescribed in this section, unless, for good cause, the time for pay-
216 ment has been extended by the director for not to exceed an additional
217 sixty days; *provided*, that in no event may such payments which are made
218 later than one hundred twenty days after the beginning of the year for
219 which such rates are effective be considered in determining the experience
220 rate for the year in which the payment is made. Any employer receiving
221 any extended period of time within which to make such additional payment
222 and failing to make such payment timely shall pay, in addition to the re-
223 quired amount of additional payment, a penalty of five per centum (5%)
224 thereof or five dollars (\$5.00), whichever is greater, not to exceed fifty dol-
225 lars (\$50.00). Any adjustment under this subsection shall be made only in
226 the form of credits against accrued or future contributions.

227 (7) Transfers.

228 An employer who transfers his or its organization, trade, assets or
229 business, in whole or in part, to a successor in interest, whether by merger,
230 consolidation, sale, transfer, descent or otherwise, may jointly make applica-
231 tion with such successor in interest for transfer of the employment experi-
232 ence of the predecessor employer to the successor in interest, including
233 credit for past years, contributions paid, annual payrolls, benefit charges,
234 et cetera, applicable to such predecessor employer. The Division of Employ-
235 ment Security may allow such transfer of employment experience pursuant
236 to regulations adopted by the division, only if it finds that the employment
237 experience of the predecessor employer with respect to the organization,
238 trade, assets or business, or part thereof, as the case may be, which has been
239 transferred, may be considered indicative of the future employment experi-

240 ence of the successor in interest. In the event of a part transfer of an
 241 employer's organization, trade, assets or business, only that portion of the
 242 employment experience relating to the portion of the organization, trade,
 243 assets or business transferred shall be transferred, and credit shall be given
 244 to the successor in interest only for the years during which contributions were
 245 paid by the predecessor employer with respect to that part of the organiza-
 246 tion, trade, assets or business transferred. A transfer of the employment
 247 experience in whole or in part having been applied for and approved by
 248 the Division of Employment Security, the predecessor employer thereafter
 249 shall not be entitled to consideration for an adjusted rate based upon his or
 250 its experience or the part thereof, as the case may be, which has thus been
 251 transferred. A successor in interest to whom employment experience or a
 252 part thereof is transferred pursuant to this subsection shall, as of the date
 253 of the transfer of the organization, trade, assets or business, or part thereof,
 254 immediately become an employer if not theretofore an employer subject to
 254A this chapter.

255 (d) Contribution of workers; transfer to temporary disability benefit
 256 fund.

257 (1) Each worker shall contribute to the fund one per centum (1%) of
 258 his wages paid by an employer with respect to his employment which occurs
 259 after December thirty-first, one thousand nine hundred and thirty-seven, and
 260 after such employer has satisfied the conditions set forth in subsection (h)
 261 of section 43:21-19 of this Title with respect to becoming an employer; *pro-*
 262 *vided, however*, that such contribution shall be at the rate of one-fourth of
 263 one per centum ($\frac{1}{4}$ of 1%) of wages paid with respect to employment on
 264 and after January first, one thousand nine hundred and forty-nine, while
 265 the worker is covered by an approved private plan under the Temporary
 266 Disability Benefits Law or while the worker is exempt from the provisions
 267 of the Temporary Disability Benefits Law under section seven of that law.
 268 Each employer shall, notwithstanding any provisions of the law in this State
 269 to the contrary, withhold in trust the amount of his workers' contributions

270 from their wages at the time such wages are paid, shall show such deduc-
271 tion of his payroll records, shall furnish such evidence thereof to his workers
272 as the division may prescribe, and shall transmit all such contributions, in
273 addition to his own contributions, to the office of the Division of Employment
274 Security in such manner and at such times as may be prescribed. If any
275 employer fails to deduct the contributions of any of his workers at the time
276 their wages are paid, or fails to make a deduction therefor at the time wages
277 are paid for the next succeeding payroll period, he alone shall thereafter be
278 liable for such contributions, and for the purposes of section 43:21-14 of this
279 Title, such contributions shall be treated as employer's contributions required
280 from him. As used in this chapter, except when the context clearly requires
281 otherwise, the term "contributions" shall include the contributions of
282 workers pursuant to this section.

283 (2) There shall be deposited in and credited to the State disability bene-
284 fits fund, as the same shall be established by law, three-quarters of all worker
285 contributions, received by the Division of Employment Security pursuant to
286 subparagraph (1) above on and after April first, one thousand nine hun-
287 dred and forty-eight or the date this subparagraph takes effect, whichever
288 is later, with respect to wages upon which the rate of contributions is one
289 per centum (1%) as provided in (1) above.

290 (3) If an individual does not receive any wages from the employing
291 unit which for the purposes of this chapter is treated as his employer, or re-
292 ceives his wages from some other employing unit, such employer shall never-
293 theless be liable for such individual's contributions in the first instance; and
294 after payment thereof such employer may deduct the amount of such con-
295 tributions from any sums payable by him to such employing unit, or may
296 recover the amount of such contributions from such employing unit or in the
297 absence of such an employing unit, from such individual, in a civil action
298 for debt; *provided*, proceedings therefor are instituted within three months
299 after the date on which such contributions are payable. General rules shall
300 be prescribed whereby such an employing unit may recover the amount of

301 such contributions from such individuals in the same manner as if it were
302 the employer.

303 (4) Every employer who has elected to become an employer subject to
304 this chapter or to cease to be an employer subject to this chapter, pursuant
305 to the provisions of section 43:21-8 of this Title, shall post and maintain
306 printed notices of such election on his premises, of such design, in such num-
307 bers, and at such places as the director may determine to be necessary to
308 give notice thereof to persons in his service.

309 (5) Contributions by workers, payable to the Division of Employment
310 Security as herein provided, shall be exempt from garnishment, attachment,
311 execution, or any other remedy for the collection of debts.

312 (e) Contributions by employers to State disability benefits fund.

313 (1) Except as hereinafter provided, each employer shall, in addition to
314 the contributions required by subsections (a), (b), and (c) of this section,
315 contribute one-quarter of one per centum ($\frac{1}{4}$ of 1%) of the wages paid by
316 such employer to workers with respect to employment after January first,
317 one thousand nine hundred and forty-nine. Such contributions shall become
318 due and be paid by each employer to the Division of Employment Security
319 for the State disability benefits fund as established by law, in accordance
320 with such regulations as may be prescribed, and shall not be deducted, in
321 whole or in part, from the remuneration of individuals in his employ. In the
322 payment of any contributions, a fractional part of a cent shall be disre-
323 garded unless it amounts to one-half cent (\$0.005) or more, in which case
324 it shall be increased to one cent (\$0.01).

325 (2) During the continuance of coverage of a worker by an approved
326 private plan of disability benefits under the Temporary Disability Benefits
327 Law, the employer shall be exempt from the contribution required by sub-
328 paragraph (1) above with respect to wages paid to such worker.

329 (3) (A) The rates of contribution as specified in subparagraph (1)
330 above shall be subject to modification as provided herein with respect to
331 employer contributions due on and after July first, one thousand nine hun-
332 dred and fifty-one.

333 (B) A separate disability benefits account shall be maintained for each
334 employer required to contribute to the State disability benefits fund and such
335 account shall be credited with contributions deposited in and credited to such
336 fund with respect to employment occurring on and after January first, one
337 thousand nine hundred and forty-nine. Each employer's account shall be
338 credited with all contributions paid on or before January thirty-first of any
339 calendar year on his own behalf and on behalf of individuals in his service
340 with respect to employment occurring in preceding calendar years. But
341 nothing in this act shall be construed to grant any employer or individuals
342 in his service prior claims or rights to the amounts paid by him to the fund
343 either on his own behalf or on behalf of such individuals. Benefits paid to
344 any covered individual in accordance with Article III of the Temporary Dis-
345 ability Benefits Law on or before January thirty-first of any calendar year
346 with respect to disability in preceding calendar years shall be charged
347 against the account of the employer by whom such individual was employed
348 at the commencement of such disability or by whom he was last employed if
349 out of employment.

350 (C) The division may prescribe regulations for the establishment,
351 maintenance, and dissolution of joint accounts by two or more employers,
352 and shall, in accordance with such regulations and upon application by two
353 or more employers to establish such an account, or to merge their several
354 individual accounts in a joint account, maintain such joint account as if it
355 constituted a single employer's account.

356 (D) Prior to July first of each calendar year, the Division of Employ-
357 ment Security shall make a preliminary determination of the rate of contri-
358 bution for the twelve months commencing on such July first for each em-
359 ployer subject to the contribution requirements of this subsection (e).

360 (1) Such preliminary rate shall be one-quarter of one per centum ($\frac{1}{4}$ of
361 1%) unless on the preceding December thirty-first such employer shall have
362 been a covered employer for at least two full years and his account shall
363 have been credited with at least fifteen hundred dollars (\$1,500.00) of em-
364 ployer and employee contributions.

365 (2) If the minimum requirements in (1) above have been fulfilled and
 366 the credited contributions exceed the benefits charged by more than five hun-
 367 dred dollars (\$500.00), such preliminary rate shall be as follows:

368 (i) Two-tenths of one per centum ($2/10$ of 1%) if such excess over
 369 five hundred dollars (\$500.00) exceeds one per centum (1%) but is less
 370 than one and one-quarter per centum ($1\frac{1}{4}\%$) of his average annual pay-
 371 roll (as defined in this chapter);

372 (ii) Fifteen one hundredths of one per centum ($15/100$ of 1%) if
 373 such excess over five hundred dollars (\$500.00) equals or exceeds one
 374 and one-quarter per centum ($1\frac{1}{4}\%$) but is less than one and one-half per
 375 centum ($1\frac{1}{2}\%$) of his average annual payroll;

376 (iii) One-tenth of one per centum ($1/10$ of 1%) if such excess over
 377 five hundred dollars (\$500.00) equals or exceeds one and one-half per
 378 centum ($1\frac{1}{2}\%$) of his average annual payroll.

379 (3) If the minimum requirements in (1) above have been fulfilled and the
 380 contributions credited exceed the benefits charged but by not more than five
 381 hundred dollars (\$500.00) plus one per centum (1%) of his average annual
 382 payroll, or if the benefits charged exceed the contributions credited but by not
 383 more than five hundred dollars (\$500.00), the preliminary rate shall be one-
 384 quarter of one per centum ($\frac{1}{4}$ of 1%).

385 (4) If the minimum requirements in (1) above have been fulfilled and
 386 the benefits charged exceed the contributions credited by more than five hun-
 387 dred dollars (\$500.00), such preliminary rate shall be as follows:

388 (i) Thirty-five one hundredths of one per centum ($35/100$ of 1%) if
 389 such excess over five hundred dollars (\$500.00) is less than one-quarter
 390 of one per centum ($\frac{1}{4}$ of 1%) of his average annual payroll;

391 (ii) Forty-five one hundredths of one per centum ($45/100$ of 1%) if
 392 such excess over five hundred dollars (\$500.00) equals or exceeds one-
 393 quarter of one per centum ($\frac{1}{4}$ of 1%) but is less than one-half of one
 394 per centum ($\frac{1}{2}$ of 1%) of his average annual payroll;

395 (iii) Fifty-five one hundredths of one per centum ($55/100$ of 1%) if

396 such excess over five hundred dollars (\$500.00) equals or exceeds one-
 397 half of one per centum ($\frac{1}{2}$ of 1%) but is less than three-quarters of one
 398 per centum ($\frac{3}{4}$ of 1%) of his average annual payroll;

399 (iv) Sixty-five one hundredths of one per centum (65/100 of 1%) if
 400 such excess over five hundred dollars (\$500.00) equals or exceeds three-
 401 quarters of one per centum ($\frac{3}{4}$ of 1%) but is less than one per centum
 402 (1%) of his average annual payroll;

403 (v) Seventy-five one hundredths of one per centum (75/100 of 1%)
 404 if such excess over five hundred dollars (\$500.00) equals or exceeds one
 405 per centum (1%) of his average annual payroll.

406 (5) Determination of the preliminary rates as specified in (2), (3) and
 407 (4) above shall be subject, however, to the condition that it shall in no event
 408 be decreased by more than one-tenth of one per centum ($\frac{1}{10}$ of 1%) of
 409 wages or increased by more than two-tenths of one per centum ($\frac{2}{10}$ of 1%)
 410 of wages from the preliminary rate determined for the preceding year in
 411 accordance with (1), (2), (3) or (4), whichever shall have been applicable.

412 (E) (1) Prior to July first of each calendar year the Division of Employ-
 413 ment Security shall determine the amount of the State disability benefits fund
 414 as of December thirty-first of the preceding calendar year increased by the con-
 415 tributions paid thereto during January of the current calendar year with re-
 416 spect to employment occurring in preceding calendar years and decreased by
 417 the benefits paid during January of the current calendar year with respect to
 418 disability in preceding calendar years. If such amount exceeds the total of the
 419 amounts withdrawn from the unemployment trust fund pursuant to section
 420 twenty-three of the Temporary Disability Benefits Law plus the amount at the
 421 end of such preceding calendar year of the unemployment disability account
 422 (as defined in section twenty-two of said law), such excess shall be expressed
 423 as a percentage of the wages on which contributions were paid to the State dis-
 424 ability benefits fund on or before January thirty-first with respect to
 425 employment in the preceding calendar year.

426 (2) The Division of Employment Security shall then make a final deter-
427 mination of the rates of contribution for the twelve months commencing
428 July first of such year for employers whose preliminary rates are deter-
429 mined as provided in (D) hereof, as follows:

430 (i) If the percentage determined in accordance with paragraph (1)
431 of this subsection equals or exceeds one and one-quarter per centum
432 ($1\frac{1}{4}\%$) the final employer rates shall be the preliminary rates deter-
433 mined as provided in (D) hereof, except that if the employer's prelimi-
434 nary rate is determined as provided in (D) (2) or (D) (3) hereof, the
435 final employer rate shall be the preliminary employer rate decreased by
436 such percentage of excess taken to the nearest five one hundredths of
437 one per centum ($5/100$ of 1%), but in no case shall such final rate be less
438 than one-tenth of one per centum ($1/10$ of 1%).

439 (ii) If the percentage determined in accordance with paragraph (1)
440 of this subsection equals or exceeds three-quarters of one per centum
441 ($\frac{3}{4}$ of 1%) and is less than one and one-quarter of one per centum ($1\frac{1}{4}$
442 of 1%), the final employer rates shall be the preliminary employer rates.

443 (iii) If the percentage determined in accordance with paragraph
444 (1) of this subsection is less than three-quarters of one per centum
445 ($\frac{3}{4}$ of 1%), the final employer rates shall be the preliminary em-
446 ployer rates determined as provided in (D) hereof increased by the
447 difference between three-quarters of one per centum ($\frac{3}{4}$ of 1%) and
448 such percentage taken to the nearest five one hundredths of one per
449 centum ($5/100$ of 1%); *provided, however*, that no such final rate shall
450 be more than one-quarter of one per centum ($\frac{1}{4}$ of 1%) in the case of
451 an employer whose preliminary rate is determined as provided in (D)
452 (2) hereof, more than one-half of one per centum ($\frac{1}{2}$ of 1%) in the
453 case of an employer whose preliminary rate is determined as pro-
454 vided in (D) (1) and (D) (3) hereof, nor more than three-quarters
455 of one per centum ($\frac{3}{4}$ of 1%) in the case of an employer whose pre-
456 liminary rate is determined as provided in (D) (4) hereof.

457 (iv) If the amount of the State disability benefits fund determined
458 as provided in paragraph (1) of this subsection is equal to or less than
459 the total of the amounts withdrawn from the unemployment trust
460 fund pursuant to section twenty-three of the Temporary Disability
461 Benefits Law plus the amount at the end of the preceding calendar year
462 of the unemployment disability account, then the final rate shall be
463 three-quarters of one per centum ($\frac{3}{4}$ of 1%) for all employers.

1 5. This act shall take effect July first, one thousand nine hundred and
2 fifty, but shall apply only to benefit years commencing on and after that date.

SENATE, No. 310

STATE OF NEW JERSEY

INTRODUCED MARCH 13, 1950

By Messrs. BODINE and CLAPP

Referred to Committee on Labor, Industries and Social Welfare

AN ACT concerning unemployment compensation, and amending sections 43:21-3, 43:21-4, 43:21-5, 43:21-6, 43:21-7, 43:21-11 and 43:21-16 of the Revised Statutes, and supplementing chapter twenty-one of Title 43.

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

1 1. Section 43:21-3 of the Revised Statutes is amended to read as fol-
2 lows:

3 43:21-3. (a) Payment of benefits. Twenty-five months after the date
4 when contributions first accrue under this chapter, benefits shall become pay-
5 able from the fund: *provided*, that remuneration or services with respect to
6 which unemployment compensation is payable under the Railroad Unemploy-
7 ment Insurance Act (52 Stat. 1094), irrespective of when performed, shall
8 not be included for purposes of determining eligibility under subsection (c)
9 of section 43:21-4 of this chapter or the weekly benefit rate under subsec-
10 tion (c) of this section for the purpose of any benefit year commencing on
11 or after July first, one thousand nine hundred and thirty-nine, nor shall any
12 benefits with respect to unemployment occurring on and after July first, one
13 thousand nine hundred and thirty-nine, be payable under subsection (d) of
14 this section on the basis of such remuneration. All benefits shall be paid
15 through employment offices, or such other agencies as may be designated in
16 accordance with such regulations as may be prescribed hereunder.

17 (b) Weekly benefits for unemployment.

18 (1) With respect to an individual's benefit year commencing prior to
 19 January first, one thousand nine hundred and fifty-one, such **Each eligible**
 20 individual **who is**, if eligible and unemployed (as defined in subsection
 21 (m) of section 43:21-19 of this **chapter** Title) in any week, shall be paid
 22 with respect to such week (except as to final payment) an amount equal to
 23 his weekly benefit rate less any remuneration in excess of three dollars
 24 (\$3.00) paid or payable to him for such week; *provided*, that such amount
 25 shall be computed to the next highest multiple of one dollar (\$1.00), if not
 26 already a multiple thereof.

27 (2) With respect to an individual's benefit year commencing on or after
 28 January first, one thousand nine hundred and fifty-one, such individual, if
 29 eligible and unemployed (as defined in subsection (m) of section 43:21-19 of
 30 this Title). shall be paid an amount (except as to final payment) equal to
 31 his weekly benefit rate with respect to any week in which he has earned no
 32 remuneration or remuneration equal to less than one-half his weekly benefit
 33 rate, or shall be paid an amount equal to one-half his weekly benefit rate
 34 with respect to any week in which he has earned remuneration equal to or
 35 more than one-half his weekly benefit rate but less than his weekly benefit
 36 rate.

37 (c) **Weekly benefit rate.**

38 (1) With respect to an individual to whom benefits shall be payable as
 39 provided in paragraph (1) of subsection (b) of this section, the **An indi-**
 40 **vidual's** weekly benefit rate shall be one-twenty-second of his total wages
 41 in that calendar quarter in which said total wages were highest during his
 42 base year; provided, that such rate shall be computed to the next highest
 43 multiple of one dollar (\$1.00) if not already a multiple thereof, and shall
 44 not be more than **twenty-two dollars (\$22.00)** thirty dollars (\$30.00) nor
 45 less than **nine dollars (\$9.00).** ten dollars (\$10.00).

46 (2) With respect to an individual to whom benefits shall be payable as
 47 provided in paragraph (2) of subsection (b) of this section, the weekly bene-

48 fit rate with respect to each determination shall be three-fifths of such indi-
 49 vidual's average weekly wage with the employer to whom the determination
 50 applies; *provided*, that such rate shall be computed to the next highest mul-
 51 tiple of one dollar (\$1.00) if not already a multiple thereof, and shall not be
 52 more than thirty dollars (\$30.00) nor less than ten dollars (\$10.00).

53 (d) Maximum total benefits.

54 (1) With respect to an individual to whom weekly benefits for unem-
 55 ployment shall be payable as provided in paragraph (1) of subsection (b)
 56 of this section, **[T]** the maximum total amount of benefits payable to any
 57 eligible individual under either of subsections (c) and (f) of section 43:21-4
 58 of this Title during any benefit year shall be either one-third of his total
 59 wages during his base year, computed to the next highest multiple of one
 60 dollar (\$1.00), if not already a multiple thereof, or twenty-six times his
 61 weekly benefit rate, whichever is the lesser; in no event, however, are such
 62 total benefits under either of said subsections (c) and (f) to be less than ten
 63 times his weekly benefit rate. In the event that an individual qualifies for
 64 benefits under both of said subsections during any benefit year, the max-
 65 imum total amount of benefits payable under said subsections combined to
 66 such individual during the benefit year shall be one and one-half times the
 67 maximum amount of benefits payable under one of said subsections.

68 (2) With respect to an individual to whom benefits shall be payable as
 69 provided in paragraph (2) of subsection (b) of this section:

70 (A) Such individual shall be entitled to receive, under each suc-
 71 cessive benefit determination relating to each of his base year employers,
 72 a total amount of benefits equal to two-thirds of his credit weeks with
 73 the employer in question multiplied by his weekly benefit rate with
 74 respect to said employer; but the amount of benefits thus resulting under
 75 any determination made with respect to an employer shall be adjusted
 76 to the next higher multiple of one-half of said weekly benefit rate if not
 77 already a multiple thereof.

78 (B) No such individual shall be entitled to receive benefits under
 79 either of subsections (c) or (f) of section 43:21-4 of this Title for
 80 more than twenty-six weeks in any benefit year. For the purposes of
 81 this paragraph, any week for which an individual receives a half-pay-
 82 ment as provided in paragraph (2) of subsection (b) of this section shall
 83 be counted as one-half of a week.

84 (C) Such an individual, if he qualifies for benefits successively
 85 under both subsections (c) and (f) of section 43:21-4 of this Title during
 86 any benefit year, shall be entitled to receive benefits for a number of
 87 weeks not to exceed one and one-half times his maximum number of
 88 benefit weeks in the benefit year under one of said subsections. Subject
 89 to said limitation, an individual's claims for benefits shall be determined
 90 under either of said subsections, without regard to claims determined or
 91 paid under the other of said subsections, in accordance with the pro-
 92 cedure prescribed in subparagraph (B) of paragraph (1) of subsection
 93 (b) of section 43:21-6 of this Title.

94 (D) If the full weekly benefit rate cannot be paid to an individual
 95 who is otherwise entitled thereto because the amount of unused benefits
 96 remaining under the applicable benefit determination is only one-half of
 97 said rate, he shall be paid that amount; but if such individual is entitled
 98 to additional benefits under a successive determination, he shall also be
 99 paid for the week in question an amount equal to one-half of his weekly
 100 benefit rate under said successive determination.

1 2. Section 43:21-4 of the Revised Statutes is amended to read as follows:
 2 43:21-4. An individual, totally or partially unemployed, shall be eligible
 3 to receive benefits with respect to any week only if it appears that:

4 (a) He has registered for work at, and thereafter continued to report
 5 at, an employment office in accordance with such regulations as the commis-
 6 sion may prescribe, except that the commission may, by regulation, waive or
 7 alter either or both of the requirements of this subsection as to individuals

8 attached to regular jobs as to such other types of cases or situations with
 9 respect to which the commission finds that compliance with such require-
 10 ments would be oppressive, or would be inconsistent with the purpose of this
 11 act; *provided*, that no such regulation shall conflict with subsection (a) of
 12 section 43:21-3 of the Revised Statutes.

13 (b) He has made a claim for benefits in accordance with the provisions
 14 of subsection (a) of section 43:21-6 of this Title.

15 (c) He is able to work, is available for work, and has demonstrated that
 16 he is actively seeking work, except as provided in subsection (f) of this
 17 section;

18 (d) Prior to the first week for which he claims benefits in any benefit
 19 year he has been totally or partially unemployed for a waiting period of one
 20 week in that benefit year. No week shall be counted as a week of unemploy-
 21 ment for the purposes of this subsection:

22 (1) if benefits have been paid, or are payable with respect thereto;

23 (2) if it has constituted a waiting period week under the Temporary
 24 Disability Benefits Law;

25 (3) unless the individual fulfills the requirements of subsection (a) and
 26 (e) of this section.

27 (e) With respect to a base year as defined in subsection (c) of section
 28 43:21-19 of this Title, [H] his wages within [his] such base year or not
 29 less than thirty times his weekly benefit amount. With respect to a base year
 30 commencing on or after January first, one thousand nine hundred and fifty-
 31 one, he has established at least fifteen credit weeks.

32-33 (f) He has suffered any accident or sickness not compensable under the
 34 workmen's compensation law (Title 34 of the Revised Statutes) and resulting
 35 in his total disability to perform any work for remuneration, and would be
 36 eligible to receive benefits under this chapter (without regard to the maxi-
 37 mum amount of benefits payable during any benefit year) except for his
 38 inability to work and has furnished notice and proof of claim to the commis-
 39 sion, in accordance with its rules and regulations, and payment is not pre-

cluded by the provisions of subsection (g) hereof or of section 43:21-3 (d) of this Title. Such benefit payments shall be charged to and paid from the State disability benefits fund established by the Temporary Disability Benefits Law, and shall not be charged to any employer account in computing any employer's experience rate for contributions payable under this chapter.

(g) No benefits shall be payable under subsection (f) above to any individual:

(1) for any period during which such individual is not under the care of a legally licensed physician;

(2) for any period of disability due to pregnancy or resulting childbirth, miscarriage, or abortion;

(3) for any period of disability due to willfully or intentionally self-inflicted injury, or to injuries sustained in the perpetration by the individual of a high misdemeanor;

(4) for any week with respect to which or a part of which he has received or is seeking unemployment benefits under any unemployment compensation or disability benefit law of any other State or of the United States; *provided*, that if the appropriate agency of such other State or of the United States finally determines that he is not entitled to such benefits, this disqualification shall not apply;

(5) for the two weeks immediately following detachment from any maritime services performed under shipping articles;

(6) for any week with respect to which or part of which he has received or is seeking disability benefits under the Temporary Disability Benefits Law;

(7) for any period of disability commencing prior to January first, one thousand nine hundred and forty-nine, or for any period of disability commencing while such individual is a "covered individual" as defined in subsection three (b) of the Temporary Disability Benefits Law (chapter 110, P. L. 1948), or after the expiration of twenty-six consecutive weeks during

70 which the individual has been unemployed and ineligible or disqualified for
71 benefits for such unemployment.

72 (h) Notwithstanding any other provision of this chapter, the director
73 may, to the extent that he deems efficient and economical, provide for con-
74 solidated administration by one or more representatives or deputies of claims
75 made pursuant to subsection (f) of this section with those made pursuant to
76 article III (State plan) of the Temporary Disability Benefits Law.

1 3. Section 43:21-5 of the Revised Statutes is amended to read as follows:

2 43:21-5. An individual shall be disqualified for benefits:

3 (a) For the week in which he has left work voluntarily without good
4 cause, and for **the** three weeks which immediately follow such week (in
5 addition to the waiting period) as determined in each case] each week there-
6 after until he has established at least six credit weeks as defined in section
7 nineteen of this chapter.

8 (b) For the week in which he has been discharged for misconduct con-
9 nected with his work, and for the **three** five weeks which immediately
10 follow such week (in addition to the waiting period), as determined in each
11 case.

12 (c) If it is found that he has failed, without good cause, either to apply
13 for available, suitable work when so directed by the employment office or the
14 **[executive]** director or to accept suitable work when offered him, or to
15 return to his customary self-employment (if any) when so directed by the
16 **[executive]** director. Such disqualification shall continue for the week in
17 which such failure occurred and for the three weeks which immediately follow
18 such week (in addition to the waiting period), as determined:

19 (1) In determining whether or not any work is suitable for an
20 individual, consideration shall be given to the degree of risk involved to
21 his health, safety and morals, his physical fitness and prior training, his
22 experience and prior earnings, his length of unemployment and prospects
23 for securing local work in his customary occupation, and the distance of
24 the available work from his residence.

25 (2) Notwithstanding any other provisions of this chapter, no work
 26 shall be deemed suitable and benefits shall not be denied under this chap-
 27 ter to any otherwise eligible individual for refusing to accept new work
 28 under any of the following conditions: (a) If the position offered is
 29 vacant due directly to a strike, lockout, or other labor dispute; (b) if
 30 the remuneration, hours, or other conditions of the work offered are sub-
 31 stantially less favorable to the individual than those prevailing for
 32 similar work in the locality; (c) if as a condition of being employed the
 33 individual would be required to join a company union or to resign from
 34 or refrain from joining any bona fide labor organization.

35 (d) For any week with respect to which it is found that his unem-
 36 ployment is due to a stoppage of work which exists because of a labor
 37 dispute at the factory, establishment, or other premises at which he is or was
 38 last employed; *provided*, that this subsection shall not apply if it is shown
 39 that:

40 (1) He is not participating in or financing or directly interested in
 41 the labor dispute which caused the stoppage of work; and

42 (2) He does not belong to a grade or class of workers of which,
 43 immediately before the commencement of the stoppage, there were mem-
 44 bers employed at the premises at which the stoppage occurs, any of
 45 whom are participating in or financing or directly interested in the dis-
 46 pute; *provided*, that if in any case in which (1) or (2) above applies
 47 separate branches of work which are commonly conducted as separate
 48 businesses in separate premises are conducted in separate departments
 49 of the same premises, each such department shall, for the purposes of
 50 this subsection, be deemed to be a separate factory, establishment, or
 51 other premises.

52 (e) For any week with respect to which he is receiving or has received
 53 remuneration in lieu of notice.

54 (f) For any week with respect to which or a part of which he has
 55 received or is seeking unemployment benefits under an unemployment com-

56 pension law of any other State or of the United States; *provided*, that if
 57 the appropriate agency of such other State or of the United States finally
 58 determines that he is not entitled to such unemployment benefits, this dis-
 59 qualification shall not apply.

60 (g) For the two weeks immediately following detachment from any
 61 maritime services performed under shipping articles.

1 4. Section 43:21-6 of the Revised Statutes is amended to read as fol-
 2 lows:

3 43:21-6. (a) Filing. Claims for benefits shall be made in accordance
 4 with such regulations as the commission may approve. Each employer shall
 5 post and maintain printed statements of such regulations in places readily
 6 accessible to individuals in his service and shall make available to each such
 7 individual at the time he becomes unemployed, a printed statement of such
 8 regulations. Such printed statements shall be supplied by the commission to
 9 each employer without cost to him.

10 (b) (1) **[Initial] [d] Determinations.**

11 (A) Procedure for making initial determinations with respect to
 12 benefit years commencing prior to January first, one thousand nine
 13 hundred and fifty-one. A representative designated by the **[executive]**
 14 director, and hereinafter referred to as a "deputy," shall promptly
 15 examine the claim and, on the basis of the facts found by him, shall
 16 either determine whether or not such claim is valid, and if valid, the
 17 week with respect to which benefits shall commence, the weekly benefit
 18 amount payable and the maximum duration thereof, or shall refer such
 19 claim or any question involved therein to an appeal tribunal or to the
 20 board of review, which shall make its determinations with respect thereto
 21 in accordance with the procedure described in subsection (c) of this
 22 section. The deputy shall promptly notify the claimant, the most recent
 23 employing unit and all employers in the base year of the decision and
 24 the reasons therefor. Unless the claimant or any such interested party,
 25 within five calendar days after the delivery of such notification, or within
 26 seven calendar days after such notification was mailed to his and their

27 last-known address and addresses, files an appeal from such decision,
 28 such decision shall be final and benefits shall be paid or denied in ac-
 29 cordance therewith. If an appeal is duly filed, benefits with respect to
 30 the period prior to the final determination of the board of review, shall
 31 be paid only after such determination; *provided*, that if an appeal tri-
 32 bunal affirms a decision of a deputy, or the board of review affirms a
 33 decision of an appeal tribunal, allowing benefits, such benefits shall be
 34 paid regardless of any appeal which may thereafter be taken, but if such
 35 decision is finally reversed, no employer's account shall be charged with
 36 benefits so paid.

37 (B) Procedure for making determinations with respect to benefit
 38 years commencing on or after January first, one thousand nine hundred
 39 and fifty-one.

40 A representative or representatives designated by the director of
 41 the division and hereinafter referred to as a "deputy," shall promptly
 42 examine the claim, and shall notify the most recent employing unit and,
 43 successively as necessary, each employer in inverse chronological order
 44 during the base year. Such notification shall require said employing unit
 45 and employer to furnish such information to the deputy as may be neces-
 46 sary to determine the claimant's eligibility and benefit rights, and such
 47 notification shall also provide the most recent employer in the base year
 48 with the name and address of the most recent employing unit of the
 49 claimant and the claimant's statement as to the commencement of and
 50 reason for his unemployment.

51 If any employer or employing unit fails to respond to the request
 52 for information within five days after the mailing of such request, the
 53 deputy may rely entirely on information from other sources.

54 The deputy shall promptly make a determination based upon the
 55 available information. The determination shall show the weekly benefit
 56 amount payable, the maximum duration of benefits, and also shall show

57 whether the claimant is ineligible or disqualified for benefits under
 58 that determination. The claimant and each employer affected by an
 59 initial determination shall be promptly notified thereof.

60 Whenever a determination is based upon information other than
 61 that supplied by an employer because such employer failed to respond
 62 to the deputy's request for information, such determination shall be
 63 incontestable by the noncomplying employer, as to any benefits paid
 64 prior to the close of the week following the receipt of his reply and
 65 such benefits may be chargeable to such employer's account.

66 The deputy shall issue a separate benefit determination with respect
 67 to each of the claimant's base year employers, starting with the most
 68 recent employer and continuing as necessary in the inverse chrono-
 69 logical order of the claimant's last date of employment with each such
 70 employer.

71 The amount of benefits payable under a determination may be re-
 72 duced or canceled if necessary to avoid payment of benefits for a num-
 73 ber of weeks in excess of the maximum specified in paragraph (2) of
 74 subsection (d) of section 43:21-3 of this Title.

75 (C) Procedure for making determinations in certain cases of con-
 76 current employment, with respect to benefit years commencing on or
 77 after January first, one thousand nine hundred and fifty-one.

78 Notwithstanding any other provisions of this Title, if an individual
 79 shows to the satisfaction of the deputy that there were at least thirteen
 80 weeks in his base period in each of which he earned wages from two
 81 or more employers totaling fifteen dollars (\$15.00) or more but in each
 82 of which there was no single employer from whom he earned as much as
 83 fifteen dollars (\$15.00) then such individual's claim shall be determined
 84 in accordance with the special provisions of this subparagraph. In such
 85 case, the deputy shall determine the individual's eligibility for benefits,
 86 his average weekly wage, weekly benefit rate and maximum total bene-

87 fits as if all his base year employers were a single employer. Such de-
 88 termination shall apportion the liability for benefit charges thereunder
 89 to the individual's several base year employers so that each employ-
 90 er's maximum liability for charges thereunder bears the same relation
 91 to the maximum total benefits allowed as the wages earned by the indi-
 92 vidual from each employer during the base year bears to his total wages
 93 earned from all employers during the base year. Such determination
 94 shall also specify the individual's last date of employment within the
 95 base year with respect to each base year employer, and such employers
 96 shall be charged for benefits paid under said determination in the in-
 97 verse chronological order of such last dates of employment.

98 (2) **Subsequent determinations.** The deputy shall make determina-
 99 tions with respect to claims for benefits thereafter in the course of the bene-
 100 fit year in accordance with any initial determination allowing benefits; *pro-*
 101 *vided*, the claimant is eligible and not disqualified; the allowance of benefits
 102 by the deputy on any such claim (if disputed), or the denial of benefits by
 103 the deputy on any such claim, shall be appealable within seven calendar days
 104 after the date of notification thereof. **Weekly determinations.** The direc-
 105 tor of the division may assign one or more deputies to each local claims office
 106 for the purpose of making weekly determinations (except, in his discretion,
 107 those under subsections 4(f) and 5(d) of this chapter) in the course of the
 108 benefit year, in accordance with the initial determination of a valid claim.
 109 Whenever a determination of eligibility shall be made with respect to the first
 110 week of the benefit year for which benefits are claimed, the claimant and the
 111 employing unit whose account may be charged for benefits payable there-
 112 under shall be promptly notified of such determination. Whenever a de-
 113 termination of ineligibility or disqualification shall be made with respect to
 114 any week of the benefit year, the claimant and any employer who has been
 115 notified of the claim shall be promptly notified of such determination.

116 (3) Any claimant or any interested entity or person may file an appeal

117 from any determination under paragraphs (1) and (2) of this subsection
 118 within five calendar days after the delivery of notification, or within seven
 119 calendar days after the mailing of notification, of such determination. Un-
 120 less such an appeal is filed such determination shall be final and benefits
 121 shall be paid or denied in accordance therewith. If an appeal is duly filed,
 122 benefits with respect to the period covered by the appeal shall be payable
 123 only after a determination of entitlement by the appellate tribunal; benefits
 124 payable for periods pending an appeal and not in dispute shall be paid as
 125 such benefits accrue; *provided*, that insofar as any such appeal is or may be
 126 an appeal from a determination to the effect that the claimant is disqualified
 127 under the provisions of section 43:21-5 of the Revised Statutes or any amend-
 128 ments thereof or supplements thereto, benefits pending determination of the
 129 appeal shall be withheld only for the period of disqualification as provided
 130 for in said section, and notwithstanding such appeal the benefits otherwise
 131 provided by this act shall be paid for the period subsequent to such period
 132 of disqualification; *and provided, also*, that if there are two determinations
 133 of entitlement, benefits for the period covered by such determination shall be
 134 paid regardless of any appeal which may thereafter be taken, but no em-
 135 ployer's account shall be charged with benefits so paid if the decision is
 136 finally reversed.

137 (c) Appeals. Unless such appeal is withdrawn, an appeal tribunal,
 138 after affording the parties reasonable opportunity for fair hearing, shall
 139 affirm or modify the findings of fact and **【decision of the deputy.】** the de-
 140 termination. The parties shall be duly notified of such tribunal's decision,
 141 together with its reasons therefor, which shall be deemed to be the final de-
 142 cision of the board of review, unless within ten days after the date of notifi-
 143 cation or mailing of such decision, further appeal is initiated pursuant to
 144 subsection (e) of this section.

145 (d) Appeal tribunals. To hear and decide disputed benefit claims, in-
 146 cluding appeals from determinations with respect to demands **【by the**

147 deputy] for refunds of benefits under section 43:21-16 (d) of this chapter,
 148 the [executive] director with the approval of the [commission] Commis-
 149 sioner of Labor and Industry shall establish one or more impartial appeal
 150 tribunals consisting in each case of either a salaried examiner or a body con-
 151 sisting of three members, one of whom shall be a salaried examiner, who shall
 152 serve as chairman, one of whom shall be a representative of employers and
 153 the other of whom shall be a representative of employees; each of the latter
 154 two members shall serve at the pleasure of the [commission] commissioner
 155 and be paid a fee of not more than twenty dollars (\$20.00) per day of active
 156 service on such tribunal plus necessary expenses. No person shall partici-
 157 pate on behalf of the [commission] division in any case in which he is an
 158 interested party. The [executive] director may designate alternates to serve
 159 in the absence or disqualification of any member of an appeal tribunal. The
 160 chairman shall act alone in the absence or disqualification of any other
 161 member and his alternates. In no case shall the hearings proceed unless the
 162 chairman of the appeal tribunal is present.

163 (e) Board of review. The board of review may on its own motion
 164 affirm, modify, or set aside any decision of an appeal tribunal on the basis
 165 of the evidence previously submitted in such case, or direct the taking of
 166 additional evidence, or may permit any of the parties to such decision to
 167 initiate further appeals before it. The board of review shall permit such
 168 further appeal by any of the parties interested in a decision of an appeal
 169 tribunal which is not unanimous and [by the deputy whose decision] from
 170 any determination which has been overruled or modified by an appeal
 171 tribunal. The board of review may remove to itself or transfer to another
 172 appeal tribunal the proceedings on any claim pending before an appeal tri-
 173 bunal. Any proceeding so removed to the board of review shall be heard by
 174 a quorum thereof in accordance with the requirements [in] of subsection
 175 (c) of this section. The board of review shall promptly notify the interested
 176 parties of its findings and decision.

177 (f) Procedure. The manner in which disputed benefit claims, and ap-
 178 peals from determinations with respect to (1) claims for benefits and (2)
 178A demands **【by the deputy】** for refunds of benefits under section 43:21-16 (d)
 179 of this chapter shall be presented, the reports thereon required from the
 180 claimant and from employers, and the conduct of hearings and appeals shall
 181 be in accordance with rules prescribed by the board of review for determining
 182 the rights of the parties, whether or not such rules conform to common law
 183 or statutory rules of evidence and other technical rules of procedure. A full
 184 and complete record shall be kept of all proceedings in connection with a
 185 disputed claim. All testimony at any hearing upon a disputed claim shall
 186 be recorded, but need not be transcribed unless the disputel claim is further
 187 appealed.

188 (g) Witness fees. Witnesses subpoenaed pursuant to this section shall
 189 be allowed fees at a rate fixed by the **【commission】** director. Such fees and
 190 all expenses of proceedings involving disputed claims shall be deemed a part
 191 of the expenses of administering this chapter.

192 (h) Appeal to courts. Any decision of the board of review in the ab-
 193 sence of an appeal therefrom as herein provided shall become final ten days
 194 after the date of notification or mailing thereof, and judicial review thereof
 195 shall be permitted only after any party claiming to be aggrieved thereby has
 196 exhausted his remedies before the board of review as provided by this chap-
 197 ter. The board of review shall be deemed to be a party to any judicial action
 198 involving any such decision, and may be represented in any such judicial
 199 action by any qualified attorney who may be a regular salaried employee of
 200 the board of review or has been designated by it for that purpose, or at the
 201 board of review's request, by the Attorney-General.

202 (i) Court review. Within ten days after the decision of the board of
 203 review has become final, any party aggrieved thereby may secure judicial re-
 204 view thereof **【by writ of certiorari directed to the board of review】** by pro-
 205 cedure in lieu of prerogative writs in which action any other party to the
 206 proceedings before the board of review shall be made a defendant.

1 5. Section 43:21-7 of the Revised Statutes is amended to read as follows:

2 43:21-7. (a) Payment.

3 (1) On and after December first, one thousand nine hundred and thirty-
4 six, contributions shall accrue and become payable by each employer for each
5 calendar year in which he is subject to this chapter, with respect to having
6 individuals in his employ during such calendar year at the rates and on the
7 basis hereinafter set forth, except that for the month of December, one thou-
8 sand nine hundred and thirty-six, such contributions shall accrue and become
9 payable with respect to having individuals in his employ during the month
10 of December, one thousand nine hundred and thirty-six. Such contributions
11 shall become due and be paid by each employer to the commission for the
12 fund in accordance with such regulations as may be prescribed, and shall
13 not be deducted, in whole or in part, from the remuneration of individuals in
14 his employ.

15 (2) In the payment of any contributions, a fractional part of a cent shall
16 be disregarded unless it amounts to one-half cent (\$0.005) or more, in which
17 case it shall be increased to one cent (\$0.01).

18 (b) Rate of contributions. Each employer shall pay the following con-
19 tributions:

20 (1) Ten and eight-tenths per centum (10 8/10%) of wages payable with
21 respect to employment during the month of December, one thousand nine
22 hundred and thirty-six and paid prior to January first, one thousand nine
23 hundred and forty-seven; *provided*, that if the total of such contributions at
24 such ten and eight-tenths per centum (10 8/10%) rate equals less than nine-
25 tenths of one per centum (9/10 of 1%) of the annual payroll of any
26 employer payable for the calendar year one thousand nine hundred and
27 thirty-six, such employer shall pay, not later than January twenty-fifth, one
28 thousand nine hundred and thirty-seven, an additional lump-sum contribution
29 with respect to employment for such one month's period beginning Decem-
30 ber first, one thousand nine hundred and thirty-six, equal to the difference
31 between nine-tenths of one per centum (9/10 of 1%) of his annual payroll
32 payable for the calendar year one thousand nine hundred and thirty-six and

33 the total of his contributions at such ten and eight-tenths per centum
 34 (10 8/10%) for such one month's period beginning December first, one thou-
 35 sand nine hundred and thirty-six; *and provided further*, that the total of
 36 such contributions with respect to employment for such one month's period
 37 beginning December first, one thousand nine hundred and thirty-six, shall
 38 not exceed nine-tenths of one per centum (9/10 of 1%) of such employer's
 39 annual payroll payable for the calendar year one thousand nine hundred and
 40 thirty-six.

41 (2) One and eight-tenths per centum (1 8/10%) of wages payable with
 42 respect to employment during the calendar year one thousand nine hundred
 43 and thirty-seven and paid prior to January first, one thousand nine hundred
 44 and forty-seven;

45 (3) Two and seven-tenths per centum (2 7/10%) of wages payable with
 46 respect to employment during the calendar years one thousand nine hundred
 47 and thirty-eight, one thousand nine hundred and thirty-nine, one thousand
 48 nine hundred and forty and one thousand nine hundred and forty-one and
 49 paid prior to January first, one thousand nine hundred and forty-seven; and,
 50 except as otherwise prescribed by subsection (c) of this section, also during
 51 the calendar years one thousand nine hundred and forty-two to one thousand
 52 nine hundred and forty-six, inclusive, and paid prior to January first, one
 53 thousand nine hundred and forty-seven; and

54 (4) For the calendar year one thousand nine hundred and forty-seven,
 55 and each calendar year thereafter, two and seven-tenths per centum
 56 (2 7/10%) of wages paid by him during each such calendar year, except as
 57 otherwise prescribed by subsection (c) of this section.

58 (5) The "wages" of any individual, with respect to any one employer
 59 as the term is used in this subsection (b) and in subsections (c), (d) and
 60 (e) of this section seven, shall include:

61 (A) All remuneration payable for the month of December, one
 62 thousand nine hundred and thirty-six, and for the calendar years one
 63 thousand nine hundred and thirty-seven, one thousand nine hundred and

64 thirty-eight, one thousand nine hundred and thirty-nine, and paid prior
 65 to January first, one thousand nine hundred and forty-seven;

66 (B) The first three thousand dollars (\$3,000.00) earned for each of
 67 the calendar years one thousand nine hundred and forty to one thou-
 68 sand nine hundred and forty-six, inclusive, and paid prior to January
 69 first, one thousand nine hundred and forty-seven; and

70 (C) The first three thousand dollars (\$3,000.00) paid during the
 71 calendar year one thousand nine hundred and forty-seven and during
 72 each calendar year thereafter, for services either within or without this
 73 State; *provided*, that no contribution shall be required by this State with
 74 respect to services performed in another State if such other State im-
 75 poses contribution liability with respect thereto.

76 (c) Future rates based on benefit experience: (1) A separate account
 77 for each employer shall be maintained and this shall be credited with all the
 78 contributions which he has paid on his own behalf on or before January
 79 thirty-first of any calendar year with respect to employment occurring in
 80 preceding calendar years. But nothing in this chapter shall be construed to
 81 grant any employer or individuals in his service prior claims or rights to
 82 the amounts paid by him into the fund either on his own behalf or on behalf
 83 of such individuals. Benefits paid with respect to benefit years commencing
 84 prior to January first, one thousand nine hundred and fifty-one, to any indi-
 85 vidual on or before January thirty-first of any calendar year with respect to
 86 unemployment in preceding calendar years shall be charged against the
 87 account of each of the employers with whom such individual accrued the
 88 wage credits constituting the basis of such benefits, in the same proportion
 89 as such wage credits with each such employer bear to such wage credits with
 90 all such employers. The commission shall furnish to each employer at such
 91 frequency as the commission shall, by regulation, prescribe, but in no case
 92 less frequently than annually, a detailed statement of benefits charged to his
 93 account. Benefits paid with respect to benefit years commencing on and
 94 after January first, one thousand nine hundred and fifty-one, to any indi-

95 vidual on or before January thirty-first of any calendar year with respect to
96 unemployment in preceding calendar years shall be charged against the
97 account or accounts of the employer or employers in whose employment
98 such individual established credit weeks constituting the basis of such bene-
99 fits. Benefits paid under a given benefit determination shall be charged
100 against the account of the employer to whom such determination relates.
101 When each benefit payment is made the division shall promptly send either
102 a copy of the benefit check or other form of notification to the employer
103 against whose account the benefits are to be charged. Such copy or notifica-
104 tion shall identify the employer against whose account the amount of such
105 payment is being charged, shall show at least the name and social security
106 account number of the claimant and shall specify the period of unemploy-
107 ment to which said payment applies.

108 The division shall furnish to each employer no less frequently than
109 annually a summary statement of benefits charged to his account.

110 (2) The commission may prescribe regulations for the establishment,
111 maintenance, and dissolution of joint accounts by two or more employers,
112 and shall, in accordance with such regulations and upon application by two
113 or more employers to establish such an account, or to merge their several
114 individual accounts in a joint account, maintain such joint account as if it
115 constituted a single employer's account.

116 (3) Each employer's rate shall be two and seven-tenths per centum
117 (2 7/10%), except as otherwise provided in the following provisions. No
118 employer's rate shall be other than two and seven-tenths per centum
119 (2 7/10%) unless and until there shall have been three calendar years
120 throughout which any individual in his employ could have received benefits
121 if eligible.

122 (4) Each employer's rate for the twelve months commencing July first
123 of any calendar year shall be determined on the basis of his record up to the

124 beginning of such calendar year. If, at the beginning of such calendar year,
 125 the total of all his contributions, paid on his own behalf, for all past years
 126 exceeds the total benefits charged to his account for all such years, his con-
 127 tribution rate shall be:

128 (A) Two and four-tenths per centum ($2\frac{4}{10}\%$), if such excess
 129 equals or exceeds four per centum (4%), but is less than five per centum
 130 (5%) of his average annual payroll (as defined in paragraph (2), sub-
 131 section (a) of section 43:21-19 of this Title);

132 (B) Two and one-tenth per centum ($2\frac{1}{10}\%$), if such excess equals
 133 or exceeds five per centum (5%), but is less than six per centum (6%)
 134 of his average annual payroll;

135 (C) One and eight-tenths per centum ($1\frac{8}{10}\%$), if such excess
 136 equals or exceeds six per centum (6%), but is less than seven per centum
 137 (7%) of his average annual payroll;

138 (D) One and five-tenths per centum ($1\frac{5}{10}\%$), if such excess
 139 equals or exceeds seven per centum (7%), but is less than eight per
 140 centum (8%) of his average annual payroll;

141 (E) One and two-tenths per centum ($1\frac{2}{10}\%$), if such excess
 142 equals or exceeds eight per centum (8%), but is less than nine per
 143 centum (9%), of his average annual payroll;

144 (F) Nine-tenths of one per centum ($\frac{9}{10}$ of 1%), if such excess
 145 equals or exceeds nine per centum (9%), but is less than ten per centum
 146 (10%), of his average annual payroll;

147 (G) Six-tenths of one per centum ($\frac{6}{10}$ of 1%), if such excess
 148 equals or exceeds ten per centum (10%), but is less than eleven per
 149 centum (11%), of his average annual payroll;

150 (H) Three-tenths of one per centum ($\frac{3}{10}$ of 1%), if such excess
 151 equals or exceeds eleven per centum (11%) of his average annual pay-
 152 roll.

153 If the total of his contributions, paid on his own behalf, for all past
 154 periods, or for the past one hundred twenty consecutive calendar months,

155 whichever period is more advantageous to such employer for the purposes
156 of this paragraph, is less than the total benefits charged against his account
157 during the same period, his rate shall be three per centum (3%).

158 (5) (A) If on March thirty-first of any calendar year the balance in
159 the Unemployment Trust Fund equals or exceeds four per centum (4%) but is
160 less than seven per centum (7%) of the total taxable wages reported to the
161 commission as of that date in respect to employment during the preceding
162 calendar year, the contribution rate, effective July first following, of each
163 employer eligible for a contribution rate calculation based upon benefit expe-
164 rience, shall be increased by three-tenths of one per centum ($3/10$ of 1%)
165 over the contribution rate otherwise established under the provisions of para-
166 graph (4) of this subsection. If on March thirty-first of any calendar year
167 the balance of the Unemployment Trust Fund is less than four per centum
168 (4%) of the total taxable wages reported to the commission as of that
169 date in respect to employment during the preceding calendar year, the
170 contribution rate, effective July first following, of each employer eligible
171 for a contribution rate calculation based upon benefit experience, shall be in-
172 creased by six-tenths of one per centum ($6/10$ of 1%) over the contribu-
173 tion rate otherwise established under the provisions of paragraph (4) of
174 this subsection; *provided*, that if on such March thirty-first, such balance
175 is less than two and one-half per centum ($2\frac{1}{2}\%$) of such total taxable
176 wages, the contribution rate so effective, of any employer, shall be not less
177 than two and seven-tenths per centum ($2\frac{7}{10}\%$); *provided further*, that
178 the contribution rate of any employer increased pursuant to the provisions
179 of this subparagraph, when so increased, shall not exceed three and six-
180 tenths per centum ($3\frac{6}{10}\%$).

181 (B) If on March thirty-first of any calendar year the balance in the
182 Unemployment Trust Fund equals or exceeds ten per centum (10%) but is
183 less than twelve and one-half per centum ($12\frac{1}{2}\%$) of the total taxable wages
184 reported to the commission as of that date in respect to employment dur-
185 ing the preceding calendar year, the contribution rate, effective July first

186 following, of each employer eligible for a contribution rate calculation based
 187 upon benefit experience, shall be reduced by three-tenths of one per centum
 188 (3/10 of 1%) under the contribution rate otherwise established under the
 189 provisions of paragraphs (3) and (4) of this subsection; *provided*, that in
 190 no event shall the contribution rate of any employer be reduced to less than
 191 three-tenths of one per centum (3/10 of 1%). If on March thirty-first of
 192 any calendar year the balance in the Unemployment Trust Fund equals or
 193 exceeds twelve and one-half per centum (12½%) of the total taxable wages
 194 reported to the commission as of that date in respect to employment dur-
 195 ing the preceding calendar year, the contribution rate, effective July first
 196 following, of each employer eligible for a contribution rate calculation
 197 based upon benefit experience, shall be reduced by six-tenths of one per
 198 centum (6/10 of 1%) if his account reflects an excess of contributions paid
 199 over total benefits charged of three per centum (3%) or more of his average
 200 annual payroll, otherwise by three-tenths of one per centum (3/10 of 1%) un-
 201 der the contribution rate otherwise established under the provisions of para-
 202 graphs (3) and (4) of this subsection; *provided*, that in no event shall the
 203 contribution rate of any employer be reduced to less than three-tenths of
 204 one per centum (3/10 of 1%).

205 (6) Additional contributions.

206 Notwithstanding any other provision of law, any employer who has been
 207 assigned a contribution rate pursuant to subsection (e) of this section for
 208 the year commencing July first, one thousand nine hundred and forty-eight,
 209 and for any year commencing July first thereafter, may voluntarily make
 210 payment of additional contributions, and upon such payment shall receive
 211 a recomputation of the experience rate applicable to such employer in-
 212 cluding in the calculation the additional contribution so made. Any such
 213 additional contribution shall be made during the thirty-day period follow-
 214 ing the date of the mailing to the employer of the notice of his contribution
 215 rate as prescribed in this section, unless, for good cause, the time for pay-
 216 ment has been extended by the director for not to exceed an additional

217 sixty days; *provided*, that in no event may such payments which are made
218 later than one hundred twenty days after the beginning of the year for
219 which such rates are effective be considered in determining the experience
220 rate for the year in which the payment is made. Any employer receiving
221 any extended period of time within which to make such additional payment
222 and failing to make such payment timely shall pay, in addition to the re-
223 quired amount of additional payment, a penalty of five per centum (5%)
224 thereof or five dollars (\$5.00), whichever is greater, not to exceed fifty dol-
225 lars (\$50.00). Any adjustment under this subsection shall be made only in
226 the form of credits against accrued or future contributions.

227 (7) Transfers.

228 An employer who transfers his or its organization, trade, assets of
229 business, in whole or in part, to a successor in interest, whether by merger,
230 consolidation, sale, transfer, descent or otherwise, may jointly make applica-
231 tion with such successor in interest for transfer of the employment experi-
232 ence of the predecessor employer to the successor in interest, including
233 credit for past years, contributions paid, annual payrolls, benefit charges,
234 et cetera, applicable to such predecessor employer. The commission may
235 allow such transfer of employment experience pursuant to regulations
236 adopted by the commission, only if it finds that the employment experience
237 of the predecessor employer with respect to the organization, trade, as-
238 sets or business, or part thereof, as the case may be, which has been trans-
239 ferred, may be considered indicative of the future employment experience of
240 the successor in interest. In the event of a part transfer of an employer's
241 organization, trade, assets or business, only that portion of the employ-
242 ment experience relating to the portion of the organization, trade, assets
243 or business transferred shall be transferred, and credit shall be given to
244 the successor in interest only for the years during which contributions were
245 paid by the predecessor employer with respect to that part of the organiza-
246 tion, trade, assets or business transferred. A transfer of the employment
247 experience in whole or in part having been applied for and approved by

248 the commission, the predecessor employer thereafter shall not be entitled
249 to consideration for an adjusted rate based upon his or its experience or
250 the part thereof, as the case may be, which has thus been transferred. A
251 successor in interest to whom employment experience or a part thereof is
252 transferred pursuant to this subsection shall, as of the date of the transfer
253 of the organization, trade, assets or business, or part thereof, immediately
254 become an employer if not theretofore an employer subject to this chapter.

255 (d) Contribution of workers; transfer to temporary disability benefit
256 fund.

257 (1) Each worker shall contribute to the fund one per centum (1%) of
258 his wages paid by an employer with respect to his employment which occurs
259 after December thirty-first, one thousand nine hundred and thirty-seven, and
260 after such employer has satisfied the conditions set forth in subsection (h)
261 of section 43:21-19 of this Title with respect to becoming an employer; *pro-*
262 *vided, however,* that such contribution shall be at the rate of one-fourth of
263 one per centum ($\frac{1}{4}$ of 1%) of wages paid with respect to employment on
264 and after January first, one thousand nine hundred and forty-nine, while
265 the worker is covered by an approved private plan under the Temporary
266 Disability Benefits Law or while the worker is exempt from the provisions
267 of that law under section seven thereof. Each employer shall, notwithstand-
268 ing any provisions of law in this State to the contrary, withhold in trust
269 the amount of his workers' contributions from their wages at the time
270 such wages are paid, shall show such deduction of his payroll records,
271 shall furnish such evidence thereof to his workers as the commission
272 may prescribe, and shall transmit all such contributions, in addition to his
273 own contributions, to the office of the commission in such manner and at
274 such times as may be prescribed. If any employer fails to deduct the con-
275 tributions of any of his workers at the time their wages are paid, or fails
276 to make a deduction therefor at the time wages are paid for the next
277 succeeding payroll period, he alone shall thereafter be liable for such con-
278 tributions, and for the purposes of section 43:21-14 of this Title, such con-

279 tributions shall be treated as employer's contributions required from him.
280 As used in this chapter, except when the context clearly requires other-
281 wise, the term "contributions" shall include the contributions of workers
282 pursuant to this section.

283 (2) There shall be deposited in and credited to the State disability bene-
284 fits fund, as the same shall be established by law, three-quarters of all worker
285 contributions, received by the commission pursuant to subparagraph (1)
286 above on and after April first, one thousand nine hundred and forty-eight or
287 the date this subparagraph takes effect, whichever is later, with respect to
288 wages upon which the rate of contributions is one per centum (1%) as pro-
289 vided in (1) above.

290 (3) If an individual does not receive any wages from the employing
291 unit which for the purposes of this chapter is treated as his employer, or re-
292 ceives his wages from some other employing unit, such employer shall never-
293 theless be liable for such individual's contributions in the first instance; and
294 after payment thereof such employer may deduct the amount of such con-
295 tributions from any sums payable by him to such employing unit, or may
296 recover the amount of such contributions from such employing unit or in the
297 absence of such an employing unit, from such individual, in a civil action
298 for debt; *provided*, proceedings therefor are instituted within three months
299 after the date on which such contributions are payable. General rules shall
300 be prescribed whereby such an employing unit may recover the amount of
301 such contributions from such individuals in the same manner as if it were
302 the employer.

303 (4) Every employer who has elected to become an employer subject to
304 this chapter or to cease to be an employer subject to this chapter, pursuant
305 to the provisions of section 43:21-8 of this Title, shall post and maintain
306 printed notices of such election on his premises, of such design, in such num-
307 bers, and at such places as the executive director may determine to be neces-
308 sary to give notice thereof to persons in his service.

309 (5) Contributions by workers, payable to the commission as herein
310 provided, shall be exempt from garnishment, attachment, execution, or any
311 other remedy for the collection of debts.

312 (e) Contributions by employers to State disability benefits fund.

313 (1) Except as hereinafter provided, each employer shall, in addition to
314 the contributions required by subsections (a), (b), and (c) of this section,
315 contribute one-quarter of one per centum ($\frac{1}{4}$ of 1%) of the wages paid by
316 such employer to workers with respect to employment after January first,
317 one thousand nine hundred and forty-nine. Such contributions shall become
318 due and be paid by each employer to the commission for the State disability
319 benefits fund as established by law, in accordance with such regulations as
320 may be prescribed, and shall not be deducted, in whole or in part, from the
321 remuneration of individuals in his employ. In the payment of any contribu-
322 tions, a fractional part of a cent shall be disregarded unless it amounts to
323 one-half cent (\$0.005) or more, in which case it shall be increased to one
324 cent (\$0.01).

325 (2) During the continuance of coverage of a worker by an approved
326 private plan of disability benefits under the Temporary Disability Benefits
327 Law, the employer shall be exempt from the contribution required by sub-
328 paragraph (1) above with respect to wages paid to such worker.

329 (3) (A) The rates of contribution as specified in subparagraph (1)
330 above shall be subject to modification as provided herein with respect to
331 employer contributions due on and after July first, one thousand nine hun-
332 dred and fifty-one.

333 (B) A separate disability benefits account shall be maintained for each
334 employer required to contribute to the State disability benefits fund and such
335 account shall be credited with contributions deposited in and credited to such
336 fund with respect to employment occurring on and after January first, one
337 thousand nine hundred and forty-nine. Each employer's account shall be
338 credited with all contributions paid on or before January thirty-first of any
339 calendar year on his own behalf and on behalf of individuals in his service

340 with respect to employment occurring in preceding calendar years. But
341 nothing in this act shall be construed to grant any employer or individuals
342 in his service prior claims or rights to the amounts paid by him to the fund
343 either on his own behalf or on behalf of such individuals. Benefits paid to
344 any covered individual in accordance with Article III of the Temporary Dis-
345 ability Benefits Law on or before January thirty-first of any calendar year
346 with respect to disability in preceding calendar years shall be charged
347 against the account of the employer by whom such individual was employed
348 at the commencement of such disability or by whom he was last employed if
349 out of employment.

350 (C) The commission may prescribe regulations for the establishment,
351 maintenance, and dissolution of joint accounts by two or more employers,
352 and shall, in accordance with such regulations and upon application by two
353 or more employers to establish such an account, or to merge their several
354 individual accounts in a joint account, maintain such joint account as if it
355 constituted a single employer's account.

356 (D) Prior to July first of each calendar year, the commission shall make
357 a preliminary determination of the rate of contribution for the twelve months
358 commencing on such July first for each employer subject to the contribution
359 requirements of this subsection (e).

360 (1) Such preliminary rate shall be one-quarter of one per centum ($\frac{1}{4}$ of
361 1%) unless on the preceding December thirty-first such employer shall have
362 been a covered employer for at least two full years and his account shall
363 have been credited with at least fifteen hundred dollars (\$1,500.00) of em-
364 ployer and employee contributions.

365 (2) If the minimum requirements in (1) above have been fulfilled and
366 the credited contributions exceed the benefits charged by more than five hun-
367 dred dollars (\$500.00), such preliminary rate shall be as follows:

368 (i) Two-tenths of one per centum ($\frac{2}{10}$ of 1%) if such excess over
369 five hundred dollars (\$500.00) exceeds one per centum (1%) but is less

370 than one and one-quarter per centum ($1\frac{1}{4}\%$) of his average annual pay-
 371 roll (as defined in this chapter);

372 (ii) Fifteen one hundredths of one per centum ($15/100$ of 1%) if
 373 such excess over five hundred dollars (\$500.00) equals or exceeds one
 374 and one-quarter per centum ($1\frac{1}{4}\%$) but is less than one and one-half per
 375 centum ($1\frac{1}{2}\%$) of his average annual payroll;

376 (iii) One-tenth of one per centum ($1/10$ of 1%) if such excess over
 377 five hundred dollars (\$500.00) equals or exceeds one and one-half per
 378 centum ($1\frac{1}{2}\%$) of his average annual payroll.

379 (3) If the minimum requirements in (1) above have been fulfilled and the
 380 contributions credited exceed the benefits charged but by not more than five
 381 hundred dollars (\$500.00) plus one per centum (1%) of his average annual
 382 payroll, or if the benefits charged exceed the contributions credited but by not
 383 more than five hundred dollars (\$500.00), the preliminary rate shall be one-
 384 quarter of one per centum ($\frac{1}{4}$ of 1%).

385 (4) If the minimum requirements in (1) above have been fulfilled and
 386 the benefits charged exceed the contributions credited by more than five hun-
 387 dred dollars (\$500.00), such preliminary rate shall be as follows:

388 (i) Thirty-five one hundredths of one per centum ($35/100$ of 1%) if
 389 such excess over five hundred dollars (\$500.00) is less than one-quarter
 390 of one per centum ($\frac{1}{4}$ of 1%) of his average annual payroll;

391 (ii) Forty-five one hundredths of one per centum ($45/100$ of 1%) if
 392 such excess over five hundred dollars (\$500.00) equals or exceeds one-
 393 quarter of one per centum ($\frac{1}{4}$ of 1%) but is less than one-half of one
 394 per centum ($\frac{1}{2}$ of 1%) of his average annual payroll;

395 (iii) Fifty-five one hundredths of one per centum ($55/100$ of 1%) if
 396 such excess over five hundred dollars (\$500.00) equals or exceeds one-
 397 half of one per centum ($\frac{1}{2}$ of 1%) but is less than three-quarters of one
 398 per centum ($\frac{3}{4}$ of 1%) of his average annual payroll;

399 (iv) Sixty-five one hundredths of one per centum ($65/100$ of 1%) if
 400 such excess over five hundred dollars (\$500.00) equals or exceeds three-

401 quarters of one per centum ($\frac{3}{4}$ of 1%) but is less than one per centum
402 (1%) of his average annual payroll;

403 (v) Seventy-five one hundredths of one per centum (75/100 of 1%)
404 if such excess over five hundred dollars (\$500.00) equals or exceeds one
405 per centum (1%) of his average annual payroll.

406 (5) Determination of the preliminary rate as specified in (2), (3) and
407 (4) above shall be subject, however, to the condition that it shall in no event
408 be decreased by more than one-tenth of one per centum ($\frac{1}{10}$ of 1%) of
409 wages or increased by more than two-tenths of one per centum ($\frac{2}{10}$ of 1%)
410 of wages from the preliminary rate determined for the preceding year in
411 accordance with (1), (2), (3) or (4), whichever shall have been applicable.

412 (E) (1) Prior to July first of each calendar year the commission shall
413 determine the amount of the State disability benefits fund as of December
414 thirty-first of the preceding calendar year increased by the contributions
415 paid thereto during January of the current calendar year with respect to em-
416 ployment occurring in preceding calendar years and decreased by the benefits
417 paid during January of the current calendar year with respect to disability in
418 preceding calendar years. If such amount exceeds the total of the amounts
419 withdrawn from the unemployment trust fund pursuant to section twenty-
420 three of the Temporary Disability Benefits Law plus the amount at the end
421 of such preceding calendar year of the unemployment disability account (as
422 defined in section twenty-two of said law), such excess shall be expressed as
423 a percentage of the wages on which contributions were paid to the State dis-
424 ability benefits fund on or before January thirty-first with respect to
425 employment in the preceding calendar year.

426 (2) The commission shall then make a final determination of the rates
427 of contribution for the twelve months commencing July first of such year for
428 employers whose preliminary rates are determined as provided in (D) hereof,
429 as follows:

430 (i) If the percentage determined in accordance with paragraph (1)
431 of this subsection equals or exceeds one and one-quarter per centum

432 (1¼%) the final employer rates shall be the preliminary rates deter-
 433 mined as provided in (D) hereof, except that if the employer's prelimi-
 434 nary rate is determined as provided in (D) (2) or (D) (3) hereof, the
 435 final employer rate shall be the preliminary employer rate decreased by
 436 such percentage of excess taken to the nearest five one hundredths of
 437 one per centum (5/100 of 1%), but in no case shall such final rate be less
 438 than one-tenth of one per centum (1/10 of 1%).

439 (ii) If the percentage determined in accordance with paragraph (1)
 440 of this subsection equals or exceeds three-quarters of one per centum
 441 (¾ of 1%) and is less than one and one-quarter of one per centum (1¼
 442 of 1%), the final employer rates shall be the preliminary employer rates.

443 (iii) If the percentage determined in accordance with paragraph
 444 (1) of this subsection is less than three-quarters of one per centum
 445 (¾ of 1%), the final employer rates shall be the preliminary em-
 446 ployer rates determined as provided in (D) hereof increased by the
 447 difference between three-quarters of one per centum (¾ of 1%) and
 448 such percentage taken to the nearest five one hundredths of one per
 449 centum (5/100 of 1%); *provided, however*, that no such final rate shall
 450 be more than one-quarter of one per centum (¼ of 1%) in the case of
 451 an employer whose preliminary rate is determined as provided in (D)
 452 (2) hereof, more than one-half of one per centum (½ of 1%) in the
 453 case of an employer whose preliminary rate is determined as pro-
 454 vided in (D) (1) and (D) (3) hereof, nor more than three-quarters
 455 of one per centum (¾ of 1%) in the case of an employer whose pre-
 456 liminary rate is determined as provided in (D) (4) hereof.

457 (iv) If the amount of the State disability benefits fund determined
 458 as provided in paragraph (1) of this subsection is equal to or less than
 459 the total of the amounts withdrawn from the unemployment trust
 460 fund pursuant to section twenty-three of the Temporary Disability
 461 Benefits Law plus the amount at the end of the preceding calendar year
 462 of the unemployment disability account, then the final rate shall be
 463 three-quarters of one per centum (¾ of 1%) for all employers.

1 6. Section 43:21-11 of the Revised Statutes is amended to read as fol-
2 lows:

3 43:21-11. (a) Duties and powers of the commission. It shall be the
4 duty of the commission to determine all matters of policy; and it shall have
5 power and authority to adopt, amend, or rescind such rules and regulations,
6 require such reports, make such investigations, and take such other action as
7 it deems necessary or suitable to that end or to administer this chapter; *pro-*
8 *vided*, that the commission may delegate such power and authority to the
9 executive director subject to their ultimate supervision and control. Such
10 rules and regulations shall be effective upon publication in the manner, not
11 inconsistent with the provisions of this chapter, which the commission shall
12 prescribe. The commission shall determine its own organization and
13 methods of procedure in accordance with the provisions of this chapter, and
14 shall have an official seal which shall be judicially noticed. Not later than
15 the first day of February of each year, the commission shall submit to the
16 Governor a report covering the administration and operation of this chapter
17 during the preceding calendar year and shall make such recommendations for
18 amendments to this chapter as the commission deems proper. Such report
19 shall include a balance sheet of the moneys in the fund in which there shall be
20 provided, if possible, a reserve against the liability in future years to pay
21 benefits in excess of the then current contributions, which reserve shall be
22 set up by the commission in accordance with accepted actuarial principles
23 on the basis of statistics of employment, business activity, and other relevant
24 factors for the longest possible period. Whenever the commission believes
25 that a change in contribution or benefit rates will become necessary to protect
26 the solvency of the fund, it shall promptly so inform the Governor and the
27 Legislature, and make recommendations with respect thereto. The com-
28 mission shall make a study of the problem of paying partial benefits for
29 partial unemployment.

30 (b) Regulations and general and special rules. General and special rules
31 may be adopted, amended, or rescinded by the commission. General rules

32 shall become effective ten days after filing with the Secretary of State and
33 publication in one or more newspapers of general circulation in this State.
34 Special rules shall become effective ten days after notification to or mailing
35 to the last known address of the individuals or concerns affected thereby.
36 Regulations may be adopted, amended, or rescinded by the commission and
37 shall become effective in the manner and at the time prescribed by the
38 commission.

39 (c) Publication. The commission shall cause to be printed for distribu-
40 tion to the public the text of this chapter, the commission's regulations and
41 general rules, its annual reports to the Governor, and any other material the
42 commission deems relevant and suitable and shall furnish the same to any
43 person upon application therefor.

44 (d) Personnel. Subject to other provisions of this chapter, the com-
45 mission is authorized to appoint (subject to the provisions of Title 11
46 Civil Service), fix the compensation, and prescribe the duties and powers of
47 such officers, accountants, attorneys, experts, and other persons as may be
48 necessary in the performance of its duties. All positions shall be filled by
49 persons selected and appointed on a nonpartisan merit basis from lists of
50 eligible persons prepared by the Civil Service Commission, in accordance
51 with the provisions of Title 11, Civil Service, except that any attorney, now
52 or hereafter in office or position of legal assistant for the commission, shall
53 be placed in the exempt class of the civil service and thereafter shall not be
54 subject to removal except for cause and then only in accordance with the pro-
55 visions of Title 11, Civil Service; *provided, however*, that nothing herein shall
56 be construed to apply to any attorney designated as special counsel in
57 accordance with the provisions of sections 43:21-6, subsection (h), and
58 43:21-17. The commission shall not employ or pay any person who is an
59 officer or committee member of any political party organization. The com-
60 mission may delegate to any such person so appointed such power and au-
61 thority as it deems reasonable and proper for the effective administration of
62 this chapter, and may in its discretion bond any person handling moneys or
63 signing checks hereunder.

64 (e) Advisory councils. The commission shall appoint a State advisory
65 council of six members and local advisory councils of four members each,
66 composed in each case of an equal number of employer representatives and
67 employee representatives who may fairly be regarded as representative
68 because of their vocation, employment, or affiliations, and of such members
69 representing the general public as the commission may designate. Such
70 councils shall aid the commission in formulating policies and discussing
71 problems related to the administration of this chapter and in assuring
72 impartiality and freedom from political influence in the solution of such
73 problems. Such advisory councils shall serve without compensation, but
74 shall be reimbursed for any necessary expenses.

75 (f) Employment stabilization. The commission, with the advice and aid
76 of its advisory councils, and through its appropriate divisions, shall take all
77 appropriate steps to reduce and prevent unemployment; to encourage and
78 assist in the adoption of practical methods of vocational training, retraining
79 and vocational guidance; to investigate, recommend, advise, and assist in the
80 establishment and operation, by municipalities, counties, school districts, and
81 the State, of reserves for public works to be used in times of business de-
82 pression and unemployment; to promote the re-employment of unemployed
83 workers throughout the State in every other way that may be feasible; and
84 to these ends to carry on and publish the results of investigations and re-
85 search studies.

86 (g) Records and reports. Each employing unit shall keep true and ac-
87 curate employment records, containing such information as may be pre-
88 scribed. Such records shall be open to inspection and be subject to being
89 copied by the **commission** director of the division or **its** his authorized
90 representatives at any reasonable time. The **executive** director may re-
90a quire from any employing unit any sworn or unsworn reports, with respect
91 to persons employed by it, which is deemed necessary for the effective admin-
92 istration of this chapter. Under such rules and regulations as may be
93 adopted by the division reports relative to wages and separation from em-

94 ployment may be required from any employer or employing unit at the time
 95 such employer or employing unit suspends business operations in this State.
 96 If the nature of such suspension is temporary or in the nature of a transfer,
 97 then the director may excuse the employer or employing unit from furnish-
 98 ing such a termination report upon assurances that proper arrangements have
 99 been made to supply any information which may be required under sub-
 100 paragraph (B) of paragraph (1) of subsection (b) of section 43:21-6 of this
 101 Title. Information thus obtained shall not be published or be open to public
 102 inspection (other than to public employees in the performance of their pub-
 103 lic duties) in any manner revealing the employing unit's identity, but any
 104 claimant at a hearing before an appeal tribunal, the commission or the board
 105 of review, shall be supplied with information from such records to the ex-
 106 tent necessary for the proper presentation of his claim. Any employee or
 107 member of the commission who violates any provision of this section shall
 108 be liable to a fine of not less than twenty dollars (\$20.00) nor more than two
 109 hundred dollars (\$200.00), to be recovered in an action at law in the name of
 110 the commission, said fine when recovered to be paid to the unemployment
 111 compensation fund for the use of said fund.

112 (h) Oaths and witnesses. In the discharge of the duties imposed by this
 113 chapter, the chairman of an appeal tribunal and any duly authorized repre-
 114 sentative or member of the commission, the executive director or any deputy
 115 director thereof or member of the board of review shall have power to ad-
 116 minister oaths and affirmations, take depositions, certify to official acts, and
 117 issue subpoenas to compel the attendance of witnesses and the production of
 118 books, papers, correspondence, memoranda, and other records deemed neces-
 119 sary as evidence in connection with a disputed claim or the administration
 120 of this chapter. Witnesses subpoenaed pursuant to this section shall in the
 121 discretion of the commission be allowed fees at a rate to be fixed by it. Such
 122 fees shall be deemed a part of the expense of administering this chapter.

123 (i) Subpoenas. In case of contumacy by, or refusal to obey a subpoena

124 issued to any person, any court of this State within the jurisdiction of which
125 the inquiry is carried on or within the jurisdiction of which said person
126 guilty of contumacy or refusal to obey is found or resides or transacts busi-
127 ness, upon application by the commission or its duly authorized representa-
128 tive, or the board of review, shall have jurisdiction to issue to such person
129 an order requiring such person to appear before the board of review or a
130 member thereof, a commissioner, the commission, the executive director, or
131 his duly authorized representative, there to produce evidence if so ordered
132 or there to give testimony touching the matter under investigation or in
133 question; and any failure to obey such order of the court may be punished
134 by said court as a contempt thereof. Any person who shall without just cause
135 fail or refuse to attend and testify or to answer any lawful inquiry or to pro-
136 duce books, papers, correspondence, memoranda, and other records, if it is
137 in his power so to do, in obedience to a subpoena of the commission or of the
138 board of review shall be punished by a fine of not more than two hundred
139 dollars (\$200.00) or by imprisonment for not longer than sixty days, or by
140 both such fine and imprisonment, and each day such violation continues shall
141 be deemed to be a separate offense.

142 (j) Protection against self-incrimination. No person shall be excused
143 from attending and testifying or from producing books, papers, correspond-
144 ence, memoranda, and other records before the commission or the board of
145 review or in obedience to the subpoena of a member of the commission or the
146 executive director thereof, the board of review or a member thereof, or any
147 duly authorized representative of the commission in any cause or proceeding
148 before the commission, the board of review or a member thereof, on the
149 ground that the testimony or evidence, documentary or otherwise, required
150 of him may tend to incriminate him or subject him to a penalty or forfeiture;
151 but no individual shall be prosecuted or subjected to any penalty or forfei-
152 ture for or on account of any transaction, matter, or thing concerning which
153 he is compelled, after having claimed his privilege against self-incrimina-
154 tion, to testify or produce evidence, documentary or otherwise, except that

155 such individual so testifying shall not be exempt from prosecution and pun-
156 ishment for perjury committed in so testifying.

157 (k) State-Federal co-operation. In the administration of this chapter
158 the commission shall co-operate to the fullest extent consistent with the pro-
159 visions of this chapter, with the Social Security Board, created by the social
160 security act, approved August fourteenth, one thousand nine hundred and
161 thirty-five, as amended; shall make such reports, in such form and containing
162 such information as the Social Security Board may from time to time require,
163 and shall comply with such provisions as the Social Security Board may
164 from time to time find necessary to assure the correctness and verification of
165 such reports; and shall comply with the regulations prescribed by the Social
166 Security Board governing the expenditures of such sums as may be allotted
167 and paid to this State under Title III of the social security act for the pur-
168 pose of assisting in the administration of this chapter.

169 Upon request therefor the executive director shall furnish to any agency
170 of the United States charged with the administration of public works or
171 assistance through public employment, the name, address, ordinary occupa-
172 tion, and employment status of each recipient of benefits and such recipient's
173 rights to further benefits under this chapter.

174 The commission may make the State's records relating to the administra-
175 tion of this chapter available to the Railroad Retirement Board and may
176 furnish the Railroad Retirement Board, at the expense of such board, such
177 copies thereof as the Railroad Retirement Board deems necessary for its
178 purposes.

179 The commission may afford reasonable co-operation with every agency
180 of the United States charged with the administration of any unemployment
181 insurance law.

1 7. Section 43:21-16 of the Revised Statutes is amended to read as fol-
2 lows:

3 43:21-16. (a) Whoever makes a false statement or representation know-
4 ing it to be false or knowingly fails to disclose a material fact, to obtain or

5 increase any benefit or other payment under this chapter, either for him-
 6 self or for any other person, shall be liable to a fine of **【not less than】** twenty
 7 dollars (\$20.00) for each offense **【nor more than fifty dollars (\$50.00)】**, to be
 8 recovered in an action at law in the name of the **【commission,】** division or as
 9 provided in subsection (e) of R. S. 43:21-14, said fine when recovered to be
 10 paid to the unemployment compensation auxiliary fund for the use of
 11 said fund; and each such false statement or representation or failure to
 12 disclose a material fact shall constitute a separate offense.

13 (b) (1) Any employing unit or any officer or agent of an employing
 14 unit or any other person who makes a false statement or representation
 15 knowing it to be false, or who knowingly fails to disclose a material fact,
 16 to prevent or reduce the payment of benefits to any individual entitled
 17 thereto, or to avoid becoming or remaining subject hereto or to avoid or
 18 reduce any contribution or other payment required from an employing unit
 19 under this chapter, or who willfully fails or refuses to **【make any such con-**
 20 **tributions or other payment or to】** furnish any reports required hereunder
 21 or to produce or permit the inspection or copying of records as required
 22 hereunder, shall be liable to a fine of **【not less than twenty dollars (\$20.00)**
 23 **nor more than two hundred dollars (\$200.00),】** fifty dollars (\$50.00), to be re-
 24 covered in an action at law in the name of the **【commission.】** division or as
 25 provided in subsection (e) of section 43:21-14. Said fine when recovered
 26 **【to】** shall be paid to the unemployment compensation auxiliary fund for the
 27 use of said fund; and each such false statement or representation or failure
 28 to disclose a material fact, and each day of such failure or refusal shall con-
 29 stitute a separate offense. Any penalties imposed pursuant to this subsection
 30 shall be in addition to those otherwise prescribed in this chapter.

31 (2) Any employing unit or any officer or agent of an employing unit
 32 or any other person who fails to submit any report required under sub-
 33 paragraph 21-6 (b) (1) (B) shall be subject to a penalty of five dollars

34 (\$5.00) for each such report not submitted within ten days after being
 35 served with a special demand therefor in writing by the director, and an
 36 additional five-dollar (\$5.00) penalty may be assessed for each full week
 37 which may elapse after the end of said ten-day period and before the re-
 38 port is filed; *provided*, that when such report or reports are filed after
 39 said ten-day period but it is shown to the satisfaction of the director that
 40 the failure was due to reasonable cause, no such penalty shall be imposed.
 41 The assessment of any penalty under this paragraph shall be subject to
 42 review in the same manner and under the same conditions as provided in
 43 subsection 43:21-6 (b) for the review of initial determinations on benefit
 44 claims.

45 (c) Any person who shall willfully violate any provision of this chap-
 46 ter or any rule or regulation thereunder, the violation of which is made
 47 unlawful or the observance of which is required under the terms of this
 48 chapter, and for which a penalty is neither prescribed herein nor provided
 49 by any other applicable statute, shall be liable to a fine of **【not less than**
 50 **twenty dollars (\$20.00) nor more than two hundred dollars (\$200.00),】**
 51 fifty dollars (\$50.00), to be recovered in an action at law in the name of the
 52 **【commission】** division or as provided in subsection (e) of section 43:21-14,
 53 said fine when recovered to be paid to the unemployment compensation aux-
 54 iliary fund for the use of said fund; and each day such violation continues
 55 shall be deemed to be a separate offense.

56 (d) When it is determined by **【the deputy】** a representative or repre-
 57 sentative designated by the director that any person, by reason of the nondis-
 58 closure or misrepresentation by him or by another, of a material fact
 59 **【irrespective of】** whether or not such nondisclosure or misrepresentation
 60 (was known or fraudulent) has received any sum as benefits under this chap-
 61 ter while any conditions for the receipt of benefits imposed by this chapter
 62 were not fulfilled in his case, or while he was disqualified from receiving

63 benefits, such person shall, in the discretion of the commission, if the
 64 director in his discretion directs recovery, either be liable to have such sum
 65 deducted from any future benefits payable to him under this chapter or shall
 66 be liable to repay to the commission division for the unemployment com-
 67 pensation fund, a sum equal to the amount so received by him, and such sum
 68 shall be collectible in the manner provided in subsection (e) of section
 69 43:21-14 of this Title for the collection of past-due contributions. The
 70 deputy shall promptly notify Such person shall be promptly notified of the
 71 determination and the reasons therefor. Unless such person, within five
 72 calendar days after the delivery of such determination, or within seven
 73 calendar days after such notification was mailed to his or her last-known
 74 address, files an appeal from such determination, such determination shall
 75 be final.

76 (e) Any employing unit, employer or person failing to remit, when pay-
 77 able, any employer contributions, or worker contributions (if withheld or de-
 78 ducted) or the amount of such worker contributions (if not withheld or de-
 79 ducted), or files or causes to be filed with the Division of Employment Security
 80 of the Department of Labor and Industry of the State of New Jersey, any
 81 false or fraudulent report or statement, and any person who aids or abets an
 82 employing unit, employer, or any person in the preparation or filing of any
 83 false or fraudulent report or statement with the aforesaid division with the
 84 intent to defraud the aforesaid division or the State of New Jersey or with
 85 intent to evade the payment of any contributions, interest or penalties, or any
 86 part thereof, which shall be due under the provisions of this chapter (R. S.
 87 43:21-1 et seq.), shall be liable for each offense upon conviction before any
 88 County Court, county district court, criminal judicial district court, or magis-
 89 trate's court, to a fine not to exceed two hundred fifty dollars (\$250.00) or by
 90 imprisonment for a term not to exceed ninety days, or both, at the discretion

91 of the court. The fine upon conviction shall be payable to the unemployment
 92 compensation auxiliary fund of the Division of Employment Security of the
 93 Department of Labor and Industry of the State of New Jersey. Any penalties
 94 imposed by this subsection shall be in addition to those otherwise prescribed
 95 in this chapter (R. S. 43:21-1 et seq.).

1 8. As used in chapter twenty-one of Title 43 of the Revised Statutes, un-
 2 less the context clearly requires otherwise:

3 (a) "Base year," with respect to benefit years commencing on or after
 4 January first, one thousand nine hundred and fifty-one, shall mean the fifty-
 5 two calendar weeks immediately preceding an individual's benefit year.

6 (b) "Remuneration," with respect to benefit years commencing on or
 7 after January first, one thousand nine hundred and fifty-one, shall include the
 8 entire remuneration as defined in subsection (p) of R. S. 43:21-19.

9 (c) "Credit week" means any calendar week of an individual's base year
 10 during which he earned in employment from an employer not less than fifteen
 11 dollars (\$15.00).

12 (d) "Average weekly wage" with respect to any determination means
 13 the amount derived by dividing an individual's total wages received from his
 14 employer during the current calendar year, by the number of calendar weeks
 15 in which such wages were earned; *provided*, that if there were not at least
 16 eight such weeks in the current year said amount shall be derived by dividing
 17 the individual's total wages received from his employer during both the cur-
 18 rent calendar year and the preceding calendar year, by the number of cal-
 19 endar weeks in which such wages were earned.

20 If on application of a claimant it is determined that he has been em-
 21 ployed during at least the four weeks immediately preceding his separation
 22 from employment by an employer on a substantially reduced schedule of
 23 weekly hours due to lack of work, all such weeks of reduced hours within the
 24 base period and his wages therefor shall be disregarded in computing his
 25 average weekly wage.

1 9. This act shall take effect July first, one thousand nine hundred and
 2 fifty.

STATEMENT

The purpose of this bill is to carry out the recommendations of Gov. Alfred E. Driscoll so as to increase allowable unemployment compensation benefits for those who have earned the right to their protection, and to completely revise the manner of administering benefit payments so as to provide for the effective administration of the new benefit structure. In general, the bill would have the following effects:

1) Elimination of delays in benefit payments, through decentralized administration. If this works as well as the Michigan system, from which the bill is adapted, it will result in the disposition of the great bulk of benefit disputes right in the local employment office—mostly by telephone—and in the payment of benefits on a simple charge-a-plate record.

2) The maximum weekly benefit for unemployment would be increased from the present \$22 to \$30—under the existing formula (which is intended to vary benefits according to prior earnings) it is estimated that 68 per centum of the claimants were deprived by the \$22 ceiling of additional benefits warranted by their earnings' history.

3) The new benefit provisions would provide for replacement of 60 per centum of the average weekly wage (present formula replaces approximately 59 per centum) up to the maximum weekly benefit, and the benefit determination would be on the basis of earnings in the claimant's most recent period of employment, as compared with the present law which makes it necessary to go back as far as twenty-seven months to determine current benefits. Variable duration of benefits would be continued, and would be related to duration of prior employment.

4) Termination of the discrimination against new entrants into the labor market by permitting an individual to become eligible after establishing fifteen "credit weeks" immediately preceding the filing of a claim, in place of the present requirement of from seven months to a year's employment before a new worker can become protected by the unemployment compensation system. This

would also eliminate the present requirement that a worker must have earned in his base year at least 30 times his benefit rate in order to be eligible for any benefits.

5) Disqualification of any employee who has quit work voluntarily without good cause would be tightened to bar any such individual from benefits until after he has demonstrated his attachment to the labor market by establishing six consecutive credit weeks in employment.

6) Elimination of quarterly wage reporting and separation reports (B 10 and B 10 A) and the substitution of the system of request reporting— under these provisions an employer would only report wage data on a former employee if an actual claim for benefits was filed, and the Employment Security Division will realize the saving which will result from the eventual junking of over 6,000.-000 wage reports.

7) Provide for the charging of benefits to the experience rating accounts first of the most recent employer and then of prior employers, if necessary, in inverse chronological order, so that the employer most closely associated with the claim for unemployment compensation will be first charged (in proportion to his employment of the claimant during the preceding year).

8) Provisions for prompt determination of appeals on the payment or denial of benefits in contested cases would be added.

9) Prompt notification of claimants and of the affected employer of each benefit determination would be provided.

10) Strengthened provision for the prosecution of fraud are added in conformity with Senate No. 134.

[OFFICIAL COPY REPRINT]

SENATE, No. 310

STATE OF NEW JERSEY

INTRODUCED MARCH 13, 1950

By Messrs. BODINE and CLAPP

Referred to Committee on Labor, Industries and Social Welfare

AN ACT concerning unemployment compensation, and amending sections 43:21-3, 43:21-4, 43:21-5, 43:21-6, 43:21-7, 43:21-11 and 43:21-16 of the Revised Statutes, and supplementing chapter twenty-one of Title 43.

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

1 1. Section 43:21-3 of the Revised Statutes is amended to read as fol-
2 lows:

3 43:21-3. (a) Payment of benefits. Twenty-five months after the date
4 when contributions first accrue under this chapter, benefits shall become pay-
5 able from the fund; *provided*, that remuneration or services with respect to
6 which unemployment compensation is payable under the Railroad Unemploy-
7 ment Insurance Act (52 Stat. 1094), irrespective of when performed, shall
8 not be included for purposes of determining eligibility under subsection (c)
9 of section 43:21-4 of this chapter or the weekly benefit rate under subsec-
10 tion (c) of this section for the purpose of any benefit year commencing on
11 or after July first, one thousand nine hundred and thirty-nine, nor shall any
12 benefits with respect to unemployment occurring on and after July first, one
13 thousand nine hundred and thirty-nine, be payable under subsection (d) of
14 this section on the basis of such remuneration. All benefits shall be paid
15 through employment offices, or such other agencies as may be designated in
16 accordance with such regulations as may be prescribed hereunder.

17 (b) Weekly benefits for unemployment.

18 (1) With respect to an individual's benefit year commencing prior to
 19 January first, one thousand nine hundred and fifty-one, such individual, if eli-
 20 gible and unemployed (as defined in subsection (m) of section 43:21-19 of
 21 this Title) in any week, shall be paid with respect to such week (except as
 22 to final payment) an amount equal to his weekly benefit rate less any remu-
 23 neration in excess of three dollars (\$3.00) paid or payable to him for such
 24 week; *provided*, that such amount shall be computed to the next highest mul-
 25-26 tiple of one dollar (\$1.00), if not already a multiple thereof.

27 (2) With respect to an individual's benefit year commencing on or after
 28 January first, one thousand nine hundred and fifty-one, such individual, if
 29 eligible and unemployed (as defined in subsection (m) of section 43:21-19 of
 30 this Title), shall be paid an amount (except as to final payment) equal to
 31 his weekly benefit rate with respect to any week in which he has earned no
 32 remuneration or remuneration equal to less than one-half his weekly benefit
 33 rate, or shall be paid an amount equal to one-half his weekly benefit rate
 34 with respect to any week in which he has earned remuneration equal to or
 35 more than one-half his weekly benefit rate but less than his weekly benefit
 36 rate.

37 (c) Weekly benefit rate.

38 (1) With respect to an individual to whom benefits shall be payable as
 39 provided in paragraph (1) of subsection (b) of this section, the
 40 weekly benefit rate shall be one-twenty-second of his total wages
 41 in that calendar quarter in which said total wages were highest during his
 42 base year; *provided*, that such rate shall be computed to the next highest
 43 multiple of one dollar (\$1.00) if not already a multiple thereof, and shall
 44 not be more than twenty-six dollars (\$26.00) nor less than ten dollars
 45 (\$10.00).

46 (2) With respect to an individual to whom benefits shall be payable as
 47 provided in paragraph (2) of subsection (b) of this section, the weekly bene-

48 fit rate with respect to each determination shall be three-fifths of such indi-
49 vidual's average weekly wage with the employer to whom the determination
50 applies; *provided*, that such rate shall be computed to the next highest mul-
51 tiple of one dollar (\$1.00) if not already a multiple thereof, and shall not be
52 more than twenty-six dollars (\$26.00) nor less than ten dollars (\$10.00).

53 (d) Maximum total benefits.

54 (1) With respect to an individual to whom weekly benefits for unem-
55 ployment shall be payable as provided in paragraph (1) of subsection (b)
56 of this section, the maximum total amount of benefits payable to any
57 eligible individual under either of subsections (c) and (f) of section 43:21-4
58 of this Title during any benefit year shall be either one-third of his total
59 wages during his base year, computed to the next highest multiple of one
60 dollar (\$1.00), if not already a multiple thereof, or twenty-six times his
61 weekly benefit rate, whichever is the lesser; in no event, however, are such
62 total benefits under either of said subsections (c) and (f) to be less than ten
63 times his weekly benefit rate. In the event that an individual qualifies for
64 benefits under both of said subsections during any benefit year, the max-
65 imum total amount of benefits payable under said subsections combined to
66 such individual during the benefit year shall be one and one-half times the
67 maximum amount of benefits payable under one of said subsections.

68 (2) With respect to an individual to whom benefits shall be payable as
69 provided in paragraph (2) of subsection (b) of this section:

70 (A) Such individual shall be entitled to receive, under each suc-
71 cessive benefit determination relating to each of his base year employers,
72 a total amount of benefits equal to two-thirds of his credit weeks with
73 the employer in question multiplied by his weekly benefit rate with
74 respect to said employer; but the amount of benefits thus resulting under
75 any determination made with respect to an employer shall be adjusted
76 to the next higher multiple of one-half of said weekly benefit rate if not
77 already a multiple thereof.

78 (B) No such individual shall be entitled to receive benefits under
 79 either of subsections (c) or (f) of section 43:21-4 of this Title for
 80 more than twenty-six weeks in any benefit year. For the purposes of
 81 this paragraph, any week for which an individual receives a half-pay-
 82 ment as provided in paragraph (2) of subsection (b) of this section shall
 83 be counted as one-half of a week.

84 (C) Such an individual, if he qualifies for benefits successively
 85 under both subsections (c) and (f) of section 43:21-4 of this Title during
 86 any benefit year, shall be entitled to receive benefits for a number of
 87 weeks not to exceed one and one-half times his maximum number of
 88 benefit weeks in the benefit year under one of said subsections. Subject
 89 to said limitation, an individual's claims for benefits shall be determined
 90 under either of said subsections, without regard to claims determined or
 91 paid under the other of said subsections, in accordance with the pro-
 92 cedure prescribed in subparagraph (B) of paragraph (1) of subsection
 93 (b) of section 43:21-6 of this Title.

94 (D) If the full weekly benefit rate cannot be paid to an individual
 95 who is otherwise entitled thereto because the amount of unused benefits
 96 remaining under the applicable benefit determination is only one-half of
 97 said rate, he shall be paid that amount; but if such individual is entitled
 98 to additional benefits under a successive determination, he shall also be
 99 paid for the week in question an amount equal to one-half of his weekly
 100 benefit rate under said successive determination.

1 2. Section 43:21-4 of the Revised Statutes is amended to read as follows:

2 43:21-4. An individual, totally or partially unemployed, shall be eligible
 3 to receive benefits with respect to any week only if it appears that:

4 (a) He has registered for work at, and thereafter continued to report
 5 at, an employment office in accordance with such regulations as the commis-
 6 sion may prescribe, except that the commission may, by regulation, waive or
 7 alter either or both of the requirements of this subsection as to individuals

8 attached to regular jobs as to such other types of cases or situations with
9 respect to which the commission finds that compliance with such require-
10 ments would be oppressive, or would be inconsistent with the purpose of this
11 act; *provided*, that no such regulation shall conflict with subsection (a) of
12 section 43:21-3 of the Revised Statutes.

13 (b) He has made a claim for benefits in accordance with the provisions
14 of subsection (a) of section 43:21-6 of this Title.

15 (c) He is able to work, is available for work, and has demonstrated that
16 he is actively seeking work, except as provided in subsection (f) of this
17 section;

18 (d) Prior to the first week for which he claims benefits in any benefit
19 year he has been totally or partially unemployed for a waiting period of one
20 week in that benefit year. No week shall be counted as a week of unemploy-
21 ment for the purposes of this subsection:

22 (1) if benefits have been paid, or are payable with respect thereto;

23 (2) if it has constituted a waiting period week under the Temporary
24 Disability Benefits Law;

25 (3) unless the individual fulfills the requirements of subsection (a) and
26 (c) of this section.

27 (e) With respect to a base year as defined in subsection (c) of section
28 43:21-19 of this Title, his wages within such base year or not less than thirty
29 times his weekly benefit amount. With respect to a base year commencing on
30 or after January first, one thousand nine hundred and fifty-one, he has estab-
31 lished at least fifteen credit weeks.

32-33 (f) He has suffered any accident or sickness not compensable under the
34 workmen's compensation law (Title 34 of the Revised Statutes) and resulting
35 in his total disability to perform any work for remuneration, and would be
36 eligible to receive benefits under this chapter (without regard to the maxi-
37 mum amount of benefits payable during any benefit year) except for his
38 inability to work and has furnished notice and proof of claim to the commis-
39 sion, in accordance with its rules and regulations, and payment is not pre-

cluded by the provisions of subsection (g) hereof or of section 43:21-3 (d) of this Title. Such benefit payments shall be charged to and paid from the State disability benefits fund established by the Temporary Disability Benefits Law, and shall not be charged to any employer account in computing any employer's experience rate for contributions payable under this chapter.

(g) No benefits shall be payable under subsection (f) above to any individual:

(1) for any period during which such individual is not under the care of a legally licensed physician;

(2) for any period of disability due to pregnancy or resulting childbirth, miscarriage, or abortion;

(3) for any period of disability due to willfully or intentionally self-inflicted injury, or to injuries sustained in the perpetration by the individual of a high misdemeanor;

(4) for any week with respect to which or a part of which he has received or is seeking unemployment benefits under any unemployment compensation or disability benefit law of any other State or of the United States; *provided*, that if the appropriate agency of such other State or of the United States finally determines that he is not entitled to such benefits, this disqualification shall not apply;

(5) for the two weeks immediately following detachment from any maritime services performed under shipping articles;

(6) for any week with respect to which or part of which he has received or is seeking disability benefits under the Temporary Disability Benefits Law;

(7) for any period of disability commencing prior to January first, one thousand nine hundred and forty-nine, or for any period of disability commencing while such individual is a "covered individual" as defined in subsection three (b) of the Temporary Disability Benefits Law (chapter 110, P. L. 1948), or after the expiration of twenty-six consecutive weeks during

70 which the individual has been unemployed and ineligible or disqualified for
71 benefits for such unemployment.

72 (h) Notwithstanding any other provision of this chapter, the director
73 may, to the extent that he deems efficient and economical, provide for con-
74 solidated administration by one or more representatives or deputies of claims
75 made pursuant to subsection (f) of this section with those made pursuant to
76 article III (State plan) of the Temporary Disability Benefits Law.

1 3. Section 43:21-5 of the Revised Statutes is amended to read as follows:

2 43:21-5. An individual shall be disqualified for benefits:

3 (a) For the week in which he has left work voluntarily without good
4 cause, and for each week thereafter until he has established at least six
5 credit weeks as defined in section nineteen of this chapter.

6 (b) For the week in which he has been discharged for misconduct con-
7 nected with his work, and for the five weeks which immediately follow such
8 week (in addition to the waiting period), as determined in each case.

9 (c) If it is found that he has failed, without good cause, either to apply
10 for available, suitable work when so directed by the employment office or the
11 director or to accept suitable work when offered him, or to return to his cus-
12 tomary self-employment (if any) when so directed by the director. Such dis-
13 qualification shall continue for the week in which such failure occurred and
14 for the three weeks which immediately follow such week (in addition to the
15-18 waiting period), as determined.

19 (1) In determining whether or not any work is suitable for an
20 individual, consideration shall be given to the degree of risk involved to
21 his health, safety and morals, his physical fitness and prior training, his
22 experience and prior earnings, his length of unemployment and prospects
23 for securing local work in his customary occupation, and the distance of
24 the available work from his residence.

25 (2) Notwithstanding any other provisions of this chapter, no work
26 shall be deemed suitable and benefits shall not be denied under this chap-
27 ter to any otherwise eligible individual for refusing to accept new work

28 under any of the following conditions: (a) If the position offered is
29 vacant due directly to a strike, lockout, or other labor dispute; (b) if
30 the remuneration, hours, or other conditions of the work offered are sub-
31 stantially less favorable to the individual than those prevailing for
32 similar work in the locality; (c) if as a condition of being employed the
33 individual would be required to join a company union or to resign from
34 or refrain from joining any bona fide labor organization.

35 (d) For any week with respect to which it is found that his unem-
36 ployment is due to a stoppage of work which exists because of a labor
37 dispute at the factory, establishment, or other premises at which he is or was
38 last employed; *provided*, that this subsection shall not apply if it is shown
39 that:

40 (1) He is not participating in or financing or directly interested in
41 the labor dispute which caused the stoppage of work; and

42 (2) He does not belong to a grade or class of workers of which,
43 immediately before the commencement of the stoppage, there were mem-
44 bers employed at the premises at which the stoppage occurs, any of
45 whom are participating in or financing or directly interested in the dis-
46 pute; *provided*, that if in any case in which (1) or (2) above applies
47 separate branches of work which are commonly conducted as separate
48 businesses in separate premises are conducted in separate departments
49 of the same premises, each such department shall, for the purposes of
50 this subsection, be deemed to be a separate factory, establishment, or
51 other premises.

52 (e) For any week with respect to which he is receiving or has received
53 remuneration in lieu of notice.

54 (f) For any week with respect to which or a part of which he has
55 received or is seeking unemployment benefits under an unemployment com-
56 pensation law of any other State or of the United States; *provided*, that if
57 the appropriate agency of such other State or of the United States finally
58 determines that he is not entitled to such unemployment benefits, this dis-
59 qualification shall not apply.

60 (g) For the two weeks immediately following detachment from any
61 maritime services performed under shipping articles.

1 4. Section 43:21-6 of the Revised Statutes is amended to read as fol-
2 lows:

3 43:21-6. (a) Filing. Claims for benefits shall be made in accordance
4 with such regulations as the commission may approve. Each employer shall
5 post and maintain printed statements of such regulations in places readily
6 accessible to individuals in his service and shall make available to each such
7 individual at the time he becomes unemployed, a printed statement of such
8 regulations. Such printed statements shall be supplied by the commission to
9 each employer without cost to him.

10 (b) (1) Determinations.

11 (A) Procedure for making initial determinations with respect to
12 benefit years commencing prior to January first, one thousand nine
13 hundred and fifty-one. A representative designated by the di-
14 rector, and hereinafter referred to as a "deputy," shall promptly
15 examine the claim and, on the basis of the facts found by him, shall
16 either determine whether or not such claim is valid, and if valid, the
17 week with respect to which benefits shall commence, the weekly benefit
18 amount payable and the maximum duration thereof, or shall refer such
19 claim or any question involved therein to an appeal tribunal or to the
20 board of review, which shall make its determinations with respect thereto
21 in accordance with the procedure described in subsection (c) of this
22 section. The deputy shall promptly notify the claimant, the most recent
23 employing unit and all employers in the base year of the decision and
24 the reasons therefor. Unless the claimant or any such interested party,
25 within five calendar days after the delivery of such notification, or within
26 seven calendar days after such notification was mailed to his and their
27 last-known address and addresses, files an appeal from such decision,
28 such decision shall be final and benefits shall be paid or denied in ac-
29 cordance therewith. If an appeal is duly filed, benefits with respect to

30 the period prior to the final determination of the board of review, shall
31 be paid only after such determination; *provided*, that if an appeal tri-
32 bunal affirms a decision of a deputy, or the board of review affirms a
33 decision of an appeal tribunal, allowing benefits, such benefits shall be
34 paid regardless of any appeal which may thereafter be taken, but if such
35 decision is finally reversed, no employer's account shall be charged with
36 benefits so paid.

37 (B) Procedure for making determinations with respect to benefit
38 years commencing on or after January first, one thousand nine hundred
39 and fifty-one.

40 A representative or representatives designated by the director of
41 the division and hereinafter referred to as a "deputy," shall promptly
42 examine the claim, and shall notify the most recent employing unit and,
43 successively as necessary, each employer in inverse chronological order
44 during the base year. Such notification shall require said employing unit
45 and employer to furnish such information to the deputy as may be neces-
46 sary to determine the claimant's eligibility and benefit rights, and such
47 notification shall also provide the most recent employer in the base year
48 with the name and address of the most recent employing unit of the
49 claimant and the claimant's statement as to the commencement of and
50 reason for his unemployment.

51 If any employer or employing unit fails to respond to the request
52 for information within five days after the mailing of such request, the
53 deputy may rely entirely on information from other sources.

54 The deputy shall promptly make a determination based upon the
55 available information. The determination shall show the weekly benefit
56 amount payable, the maximum duration of benefits, and also shall show
57 whether the claimant is ineligible or disqualified for benefits under
58 that determination. The claimant and each employer affected by an
59 initial determination shall be promptly notified thereof.

60 Whenever a determination is based upon information other than
61 that supplied by an employer because such employer failed to respond
62 to the deputy's request for information, such determination shall be
63 incontestable by the noncomplying employer, as to any benefits paid
64 prior to the close of the week following the receipt of his reply and
65 such benefits may be chargeable to such employer's account.

66 The deputy shall issue a separate benefit determination with respect
67 to each of the claimant's base year employers, starting with the most
68 recent employer and continuing as necessary in the inverse chrono-
69 logical order of the claimant's last date of employment with each such
70 employer.

71 The amount of benefits payable under a determination may be re-
72 duced or canceled if necessary to avoid payment of benefits for a num-
73 ber of weeks in excess of the maximum specified in paragraph (2) of
74 subsection (d) of section 43:21-3 of this Title.

75 (C) Procedure for making determinations in certain cases of con-
76 current employment, with respect to benefit years commencing on or
77 after January first, one thousand nine hundred and fifty-one.

78 Notwithstanding any other provisions of this Title, if an individual
79 shows to the satisfaction of the deputy that there were at least thirteen
80 weeks in his base period in each of which he earned wages from two
81 or more employers totaling fifteen dollars (\$15.00) or more but in each
82 of which there was no single employer from whom he earned as much as
83 fifteen dollars (\$15.00) then such individual's claim shall be determined
84 in accordance with the special provisions of this subparagraph. In such
85 case, the deputy shall determine the individual's eligibility for benefits,
86 his average weekly wage, weekly benefit rate and maximum total bene-
87 fits as if all his base year employers were a single employer. Such de-
88 termination shall apportion the liability for benefit charges thereunder
89 to the individual's several base year employers so that each employ-

90 er's maximum liability for charges thereunder bears the same relation
 91 to the maximum total benefits allowed as the wages earned by the indi-
 92 vidual from each employer during the base year bears to his total wages
 93 earned from all employers during the base year. Such determination
 94 shall also specify the individual's last date of employment within the
 95 base year with respect to each base year employer, and such employers
 96 shall be charged for benefits paid under said determination in the in-
 97 verse chronological order of such last dates of employment.

98 (2) Weekly determinations. The director of the division may assign one
 99 or more deputies to each local claims office for the purpose of making weekly
 100 determinations (except, in his discretion, those under subsections 4(f) and
 101 5(d) of this chapter) in the course of the benefit year, in accordance
 102 with the initial determination of a valid claim. Whenever a determina-
 103 tion of eligibility shall be made with respect to the first week of the
 104 benefit year for which benefits are claimed, the claimant and the em-
 105-111 ploying unit whose account may be charged for benefits payable there-
 112 under shall be promptly notified of such determination. Whenever a de-
 113 termination of ineligibility or disqualification shall be made with respect to
 114 any week of the benefit year, the claimant and any employer who has been
 115 notified of the claim shall be promptly notified of such determination.

116 (3) Any claimant or any interested entity or person may file an appeal
 117 from any determination under paragraphs (1) and (2) of this subsection
 118 within five calendar days after the delivery of notification, or within seven
 119 calendar days after the mailing of notification, of such determination. Un-
 120 less such an appeal is filed such determination shall be final and benefits
 121 shall be paid or denied in accordance therewith. If an appeal is duly filed,
 122 benefits with respect to the period covered by the appeal shall be payable
 123 only after a determination of entitlement by the appellate tribunal; benefits
 124 payable for periods pending an appeal and not in dispute shall be paid as
 125 such benefits accrue; *provided*, that insofar as any such appeal is or may be
 126 an appeal from a determination to the effect that the claimant is disqualified

127 under the provisions of section 43:21-5 of the Revised Statutes or any amend-
 128 ments thereof or supplements thereto, benefits pending determination of the
 129 appeal shall be withheld only for the period of disqualification as provided
 130 for in said section, and notwithstanding such appeal the benefits otherwise
 131 provided by this act shall be paid for the period subsequent to such period
 132 of disqualification; *and provided, also*, that if there are two determinations
 133 of entitlement, benefits for the period covered by such determination shall be
 134 paid regardless of any appeal which may thereafter be taken, but no em-
 135 ployer's account shall be charged with benefits so paid if the decision is
 136 finally reversed.

137 (c) Appeals. Unless such appeal is withdrawn, an appeal tribunal,
 138 after affording the parties reasonable opportunity for fair hearing, shall
 139 affirm or modify the findings of fact and the determination. The parties
 140 shall be duly notified of such tribunal's decision, together with its reasons
 141 therefor, which shall be deemed to be the final decision of the board of re-
 142 view, unless within ten days after the date of notification or mailing of such
 143 decision, further appeal is initiated pursuant to subsection (e) of this
 144 section.

145 (d) Appeal tribunals. To hear and decide disputed benefit claims, in-
 146 cluding appeals from determinations with respect to demands for refunds
 147 of benefits under section 43:21-16 (d) of this chapter, the director with the
 148 approval of the Commissioner of Labor and Industry shall establish one or
 149 more impartial appeal tribunals consisting in each case of either a salaried ex-
 150 aminer or a body consisting of three members, one of whom shall be a salaried
 151 examiner, who shall serve as chairman, one of whom shall be a representative
 152 of employers and the other of whom shall be a representative of employees;
 153 each of the latter two members shall serve at the pleasure of the commis-
 154 sioner and be paid a fee of not more than twenty dollars (\$20.00) per day of
 155 active service on such tribunal plus necessary expenses. No person shall par-
 156 ticipate on behalf of the division in any case in which he is an interested party.

157 The director may designate alternates to serve in the absence or disqualifica-
158 tion of any member of an appeal tribunal. The chairman shall act alone in
159 the absence or disqualification of any other member and his alternates. In
160 no case shall the hearings proceed unless the chairman of the appeal tribunal
161-162 is present.

163 (e) Board of review. The board of review may on its own motion
164 affirm, modify, or set aside any decision of an appeal tribunal on the basis
165 of the evidence previously submitted in such case, or direct the taking of
166 additional evidence, or may permit any of the parties to such decision to
167 initiate further appeals before it. The board of review shall permit such
168 further appeal by any of the parties interested in a decision of an appeal
169 tribunal which is not unanimous and from any determination which has been
170 overruled or modified by an appeal tribunal. The board of review may re-
171 move to itself or transfer to another appeal tribunal the proceedings on any
172 claim pending before an appeal tribunal. Any proceeding so removed to the
173 board of review shall be heard by a quorum thereof in accordance with the
174 requirements of subsection (c) of this section. The board of review shall
175-176 promptly notify the interested parties of its findings and decision.

177 (f) Procedure. The manner in which disputed benefit claims, and ap-
178 peals from determinations with respect to (1) claims for benefits and (2)
178A demands for refunds of benefits under section 43:21-16 (d) of this
179 chapter shall be presented, the reports thereon required from the
180 claimant and from employers, and the conduct of hearings and appeals shall
181 be in accordance with rules prescribed by the board of review for determining
182 the rights of the parties, whether or not such rules conform to common law
183 or statutory rules of evidence and other technical rules of procedure. A full
184 and complete record shall be kept of all proceedings in connection with a
185 disputed claim. All testimony at any hearing upon a disputed claim shall
186 be recorded, but need not be transcribed unless the disputel claim is further
187 appealed.

188 (g) Witness fees. Witnesses subpoenaed pursuant to this section shall
 189 be allowed fees at a rate fixed by the director. Such fees and all expenses
 190 of proceedings involving disputed claims shall be deemed a part of the ex-
 191 penses of administering this chapter.

192 (h) Appeal to courts. Any decision of the board of review in the ab-
 193 sence of an appeal therefrom as herein provided shall become final ten days
 194 after the date of notification or mailing thereof, and judicial review thereof
 195 shall be permitted only after any party claiming to be aggrieved thereby has
 196 exhausted his remedies before the board of review as provided by this chap-
 197 ter. The board of review shall be deemed to be a party to any judicial action
 198 involving any such decision, and may be represented in any such judicial
 199 action by any qualified attorney who may be a regular salaried employee of
 200 the board of review or has been designated by it for that purpose, or at the
 201 board of review's request, by the Attorney-General.

202 (i) Court review. Within ten days after the decision of the board of
 203 review has become final, any party aggrieved thereby may secure judicial re-
 204 view thereof by procedure in lieu of prerogative writs in which action any
 205 other party to the proceedings before the board of review shall be made a
 206 defendant.

1 5. Section 43:21-7 of the Revised Statutes is amended to read as follows:

2 43:21-7. (a) Payment.

3 (1) On and after December first, one thousand nine hundred and thirty-
 4 six, contributions shall accrue and become payable by each employer for each
 5 calendar year in which he is subject to this chapter, with respect to having
 6 individuals in his employ during such calendar year at the rates and on the
 7 basis hereinafter set forth, except that for the month of December, one thou-
 8 sand nine hundred and thirty-six, such contributions shall accrue and become
 9 payable with respect to having individuals in his employ during the month
 10 of December, one thousand nine hundred and thirty-six. Such contributions
 11 shall become due and be paid by each employer to the commission for the
 12 fund in accordance with such regulations as may be prescribed, and shall

13 not be deducted, in whole or in part, from the remuneration of individuals in
14 his employ.

15 (2) In the payment of any contributions, a fractional part of a cent shall
16 be disregarded unless it amounts to one-half cent (\$.005) or more, in which
17 case it shall be increased to one cent (\$.01).

18 (b) Rate of contributions. Each employer shall pay the following con-
19 tributions:

20 (1) Ten and eight-tenths per centum (10 8/10%) of wages payable with
21 respect to employment during the month of December, one thousand nine
22 hundred and thirty-six and paid prior to January first, one thousand nine
23 hundred and forty-seven; *provided*, that if the total of such contributions at
24 such ten and eight-tenths per centum (10 8/10%) rate equals less than nine-
25 tenths of one per centum (9/10 of 1%) of the annual payroll of any
26 employer payable for the calendar year one thousand nine hundred and
27 thirty-six, such employer shall pay, not later than January twenty-fifth, one
28 thousand nine hundred and thirty-seven, an additional lump-sum contribution
29 with respect to employment for such one month's period beginning Decem-
30 ber first, one thousand nine hundred and thirty-six, equal to the difference
31 between nine-tenths of one per centum (9/10 of 1%) of his annual payroll
32 payable for the calendar year one thousand nine hundred and thirty-six and
33 the total of his contributions at such ten and eight-tenths per centum
34 (10 8/10%) for such one month's period beginning December first, one thou-
35 sand nine hundred and thirty-six; *and provided further*, that the total of
36 such contributions with respect to employment for such one month's period
37 beginning December first, one thousand nine hundred and thirty-six, shall
38 not exceed nine-tenths of one per centum (9/10 of 1%) of such employer's
39 annual payroll payable for the calendar year one thousand nine hundred and
40 thirty-six.

41 (2) One and eight-tenths per centum (1 8/10%) of wages payable with
42 respect to employment during the calendar year one thousand nine hundred

43 and thirty-seven and paid prior to January first, one thousand nine hundred
44 and forty-seven;

45 (3) Two and seven-tenths per centum ($2\frac{7}{10}\%$) of wages payable with
46 respect to employment during the calendar years one thousand nine hundred
47 and thirty-eight, one thousand nine hundred and thirty-nine, one thousand
48 nine hundred and forty and one thousand nine hundred and forty-one and
49 paid prior to January first, one thousand nine hundred and forty-seven; and,
50 except as otherwise prescribed by subsection (c) of this section, also during
51 the calendar years one thousand nine hundred and forty-two to one thousand
52 nine hundred and forty-six, inclusive, and paid prior to January first, one
53 thousand nine hundred and forty-seven; and

54 (4) For the calendar year one thousand nine hundred and forty-seven,
55 and each calendar year thereafter, two and seven-tenths per centum
56 ($2\frac{7}{10}\%$) of wages paid by him during each such calendar year, except as
57 otherwise prescribed by subsection (c) of this section.

58 (5) The "wages" of any individual, with respect to any one employer
59 as the term is used in this subsection (b) and in subsections (c), (d) and
60 (e) of this section seven, shall include:

61 (A) All remuneration payable for the month of December, one
62 thousand nine hundred and thirty-six, and for the calendar years one
63 thousand nine hundred and thirty-seven, one thousand nine hundred and
64 thirty-eight, one thousand nine hundred and thirty-nine, and paid prior
65 to January first, one thousand nine hundred and forty-seven;

66 (B) The first three thousand dollars (\$3,000.00) earned for each of
67 the calendar years one thousand nine hundred and forty to one thou-
68 sand nine hundred and forty-six, inclusive, and paid prior to January
69 first, one thousand nine hundred and forty-seven; and

70 (C) The first three thousand dollars (\$3,000.00) paid during the
71 calendar year one thousand nine hundred and forty-seven and during
72 each calendar year thereafter, for services either within or without this

73 State; *provided*, that no contribution shall be required by this State with
74 respect to services performed in another State if such other State im-
75 poses contribution liability with respect thereto.

76 (c) Future rates based on benefit experience: (1) A separate account
77 for each employer shall be maintained and this shall be credited with all the
78 contributions which he has paid on his own behalf on or before January
79 thirty-first of any calendar year with respect to employment occurring in
80 preceding calendar years. But nothing in this chapter shall be construed to
81 grant any employer or individuals in his service prior claims or rights to
82 the amounts paid by him into the fund either on his own behalf or on behalf
83 of such individuals. Benefits paid with respect to benefit years commencing
84 prior to January first, one thousand nine hundred and fifty-one, to any indi-
85 vidual on or before January thirty-first of any calendar year with respect to
86 unemployment in preceding calendar years shall be charged against the
87 account of each of the employers with whom such individual accrued the
88 wage credits constituting the basis of such benefits, in the same proportion
89 as such wage credits with each such employer bear to such wage credits with
90 all such employers. The commission shall furnish to each employer at such
91 frequency as the commission shall, by regulation, prescribe, but in no case
92 less frequently than annually, a detailed statement of benefits charged to his
93 account. Benefits paid with respect to benefit years commencing on and
94 after January first, one thousand nine hundred and fifty-one, to any indi-
95 vidual on or before January thirty-first of any calendar year with respect to
96 unemployment in preceding calendar years shall be charged against the
97 account or accounts of the employer or employers in whose employment
98 such individual established credit weeks constituting the basis of such bene-
99 fits. Benefits paid under a given benefit determination shall be charged
100 against the account of the employer to whom such determination relates.
101 When each benefit payment is made the division shall promptly send either
102 a copy of the benefit check or other form of notification to the employer
103 against whose account the benefits are to be charged. Such copy or notifica-

tion shall identify the employer against whose account the amount of such payment is being charged, shall show at least the name and social security account number of the claimant and shall specify the period of unemployment to which said payment applies.

The division shall furnish to each employer no less frequently than annually a summary statement of benefits charged to his account.

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

(3) Each employer's rate shall be two and seven-tenths per centum ($2\frac{7}{10}\%$), except as otherwise provided in the following provisions. No employer's rate shall be other than two and seven-tenths per centum ($2\frac{7}{10}\%$) unless and until there shall have been three calendar years throughout which any individual in his employ could have received benefits if eligible.

(4) Each employer's rate for the twelve months commencing July first of any calendar year shall be determined on the basis of his record up to the beginning of such calendar year. If, at the beginning of such calendar year, the total of all his contributions, paid on his own behalf, for all past years exceeds the total benefits charged to his account for all such years, his contribution rate shall be:

(A) Two and four-tenths per centum ($2\frac{4}{10}\%$), if such excess equals or exceeds four per centum (4%), but is less than five per centum (5%) of his average annual payroll (as defined in paragraph (2), subsection (a) of section 43:21-19 of this Title);

(B) Two and one-tenth per centum ($2\frac{1}{10}\%$), if such excess equals or exceeds five per centum (5%), but is less than six per centum (6%) of his average annual payroll;

135 (C) One and eight-tenths per centum ($1\frac{8}{10}\%$), if such excess
 136 equals or exceeds six per centum (6%), but is less than seven per centum
 137 (7%) of his average annual payroll;

138 (D) One and five-tenths per centum ($1\frac{5}{10}\%$), if such excess
 139 equals or exceeds seven per centum (7%), but is less than eight per
 140 centum (8%) of his average annual payroll;

141 (E) One and two-tenths per centum ($1\frac{2}{10}\%$), if such excess
 142 equals or exceeds eight per centum (8%), but is less than nine per
 143 centum (9%), of his average annual payroll;

144 (F) Nine-tenths of one per centum ($\frac{9}{10}$ of 1%), if such excess
 145 equals or exceeds nine per centum (9%), but is less than ten per centum
 146 (10%), of his average annual payroll;

147 (G) Six-tenths of one per centum ($\frac{6}{10}$ of 1%), if such excess
 148 equals or exceeds ten per centum (10%), but is less than eleven per
 149 centum (11%), of his average annual payroll;

150 (H) Three-tenths of one per centum ($\frac{3}{10}$ of 1%), if such excess
 151 equals or exceeds eleven per centum (11%) of his average annual pay-
 152 roll.

153 If the total of his contributions, paid on his own behalf, for all past
 154 periods, or for the past one hundred twenty consecutive calendar months,
 155 whichever period is more advantageous to such employer for the purposes
 156 of this paragraph, is less than the total benefits charged against his account
 157 during the same period, his rate shall be three per centum (3%).

158 (5) (A) If on March thirty-first of any calendar year the balance in
 159 the Unemployment Trust Fund equals or exceeds four per centum (4%) but is
 160 less than seven per centum (7%) of the total taxable wages reported to the
 161 commission as of that date in respect to employment during the preceding
 162 calendar year, the contribution rate, effective July first following, of each
 163 employer eligible for a contribution rate calculation based upon benefit expe-
 164 rience, shall be increased by three-tenths of one per centum ($\frac{3}{10}$ of 1%)

165 over the contribution rate otherwise established under the provisions of para-
 166 graph (4) of this subsection. If on March thirty-first of any calendar year
 167 the balance of the Unemployment Trust Fund is less than four per centum
 168 (4%) of the total taxable wages reported to the commission as of that
 169 date in respect to employment during the preceding calendar year, the
 170 contribution rate, effective July first following, of each employer eligible
 171 for a contribution rate calculation based upon benefit experience, shall be in-
 172 creased by six-tenths of one per centum ($\frac{6}{10}$ of 1%) over the contribu-
 173 tion rate otherwise established under the provisions of paragraph (4) of
 174 this subsection; *provided*, that if on such March thirty-first, such balance
 175 is less than two and one-half per centum ($2\frac{1}{2}\%$) of such total taxable
 176 wages, the contribution rate so effective, of any employer, shall be not less
 177 than two and seven-tenths per centum ($2\frac{7}{10}\%$); *provided further*, that
 178 the contribution rate of any employer increased pursuant to the provisions
 179 of this subparagraph, when so increased, shall not exceed three and six-
 180 tenths per centum ($3\frac{6}{10}\%$).

181 (B) If on March thirty-first of any calendar year the balance in the
 182 Unemployment Trust Fund equals or exceeds ten per centum (10%) but is
 183 less than twelve and one-half per centum ($12\frac{1}{2}\%$) of the total taxable wages
 184 reported to the commission as of that date in respect to employment dur-
 185 ing the preceding calendar year, the contribution rate, effective July first
 186 following, of each employer eligible for a contribution rate calculation based
 187 upon benefit experience, shall be reduced by three-tenths of one per centum
 188 ($\frac{3}{10}$ of 1%) under the contribution rate otherwise established under the
 189 provisions of paragraphs (3) and (4) of this subsection; *provided*, that in
 190 no event shall the contribution rate of any employer be reduced to less than
 191 three-tenths of one per centum ($\frac{3}{10}$ of 1%). If on March thirty-first of
 192 any calendar year the balance in the Unemployment Trust Fund equals or
 193 exceeds twelve and one-half per centum ($12\frac{1}{2}\%$) of the total taxable wages
 194 reported to the commission as of that date in respect to employment dur-
 195 ing the preceding calendar year, the contribution rate, effective July first

196 following, of each employer eligible for a contribution rate calculation
197 based upon benefit experience, shall be reduced by six-tenths of one per
198 centum (6/10 of 1%) if his account reflects an excess of contributions paid
199 over total benefits charged of three per centum (3%) or more of his average
200 annual payroll, otherwise by three-tenths of one per centum (3/10 of 1%) un-
201 der the contribution rate otherwise established under the provisions of para-
202 graphs (3) and (4) of this subsection; *provided*, that in no event shall the
203 contribution rate of any employer be reduced to less than three-tenths of
204 one per centum (3/10 of 1%).

205 (6) Additional contributions.

206 Notwithstanding any other provision of law, any employer who has been
207 assigned a contribution rate pursuant to subsection (c) of this section for
208 the year commencing July first, one thousand nine hundred and forty-eight,
209 and for any year commencing July first thereafter, may voluntarily make
210 payment of additional contributions, and upon such payment shall receive
211 a recomputation of the experience rate applicable to such employer in-
212 cluding in the calculation the additional contribution so made. Any such
213 additional contribution shall be made during the thirty-day period follow-
214 ing the date of the mailing to the employer of the notice of his contribution
215 rate as prescribed in this section, unless, for good cause, the time for pay-
216 ment has been extended by the director for not to exceed an additional
217 sixty days; *provided*, that in no event may such payments which are made
218 later than one hundred twenty days after the beginning of the year for
219 which such rates are effective be considered in determining the experience
220 rate for the year in which the payment is made. Any employer receiving
221 any extended period of time within which to make such additional payment
222 and failing to make such payment timely shall pay, in addition to the re-
223 quired amount of additional payment, a penalty of five per centum (5%)
224 thereof or five dollars (\$5.00), whichever is greater, not to exceed fifty dol-
225 lars (\$50.00). Any adjustment under this subsection shall be made only in
226 the form of credits against accrued or future contributions.

227 (7) Transfers.

228 An employer who transfers his or its organization, trade, assets of
229 business, in whole or in part, to a successor in interest, whether by merger,
230 consolidation, sale, transfer, descent or otherwise, may jointly make applica-
231 tion with such successor in interest for transfer of the employment experi-
232 ence of the predecessor employer to the successor in interest, including
233 credit for past years, contributions paid, annual payrolls, benefit charges,
234 et cetera, applicable to such predecessor employer. The commission may
235 allow such transfer of employment experience pursuant to regulations
236 adopted by the commission, only if it finds that the employment experience
237 of the predecessor employer with respect to the organization, trade, as-
238 sets or business, or part thereof, as the case may be, which has been trans-
239 ferred, may be considered indicative of the future employment experience of
240 the successor in interest. In the event of a part transfer of an employer's
241 organization, trade, assets or business, only that portion of the employ-
242 ment experience relating to the portion of the organization, trade, assets
243 or business transferred shall be transferred, and credit shall be given to
244 the successor in interest only for the years during which contributions were
245 paid by the predecessor employer with respect to that part of the organiza-
246 tion, trade, assets or business transferred. A transfer of the employment
247 experience in whole or in part having been applied for and approved by
248 the commission, the predecessor employer thereafter shall not be entitled
249 to consideration for an adjusted rate based upon his or its experience or
250 the part thereof, as the case may be, which has thus been transferred. A
251 successor in interest to whom employment experience or a part thereof is
252 transferred pursuant to this subsection shall, as of the date of the transfer
253 of the organization, trade, assets or business, or part thereof, immediately
254 become an employer if not theretofore an employer subject to this chapter.

255 (d) Contribution of workers; transfer to temporary disability benefit
256 fund.

257 (1) Each worker shall contribute to the fund one per centum (1%) of
258 his wages paid by an employer with respect to his employment which occurs
259 after December thirty-first, one thousand nine hundred and thirty-seven, and
260 after such employer has satisfied the conditions set forth in subsection (h)
261 of Section 43:21-19 of this Title with respect to becoming an employer; *pro-*
262 *vided, however,* that such contribution shall be at the rate of one-fourth of
263 one per centum ($\frac{1}{4}$ of 1%) of wages paid with respect to employment on
264 and after January first, one thousand nine hundred and forty-nine, while
265 the worker is covered by an approved private plan under the Temporary
266 Disability Benefits Law or while the worker is exempt from the provisions
267 of that law under section seven thereof. Each employer shall, notwithstand-
268 ing any provisions of law in this State to the contrary, withhold in trust
269 the amount of his workers' contributions from their wages at the time
270 such wages are paid, shall show such deduction of his payroll records,
271 shall furnish such evidence thereof to his workers as the commission
272 may prescribe, and shall transmit all such contributions, in addition to his
273 own contributions, to the office of the commission in such manner and at
274 such times as may be prescribed. If any employer fails to deduct the con-
275 tributions of any of his workers at the time their wages are paid, or fails
276 to make a deduction therefor at the time wages are paid for the next
277 succeeding payroll period, he alone shall thereafter be liable for such con-
278 tributions, and for the purposes of section 43:21-14 of this Title, such con-
279 tributions shall be treated as employer's contributions required from him.
280 As used in this chapter, except when the context clearly requires other-
281 wise, the term "contributions" shall include the contributions of workers
282 pursuant to this section.

283 (2) There shall be deposited in and credited to the State disability bene-
284 fits fund, as the same shall be established by law, three-quarters of all worker
285 contributions, received by the commission pursuant to subparagraph (1)
286 above on and after April first, one thousand nine hundred and forty-eight or

287 the date this subparagraph takes effect, whichever is later, with respect to
288 wages upon which the rate of contributions is one per centum (1%) as pro-
289 vided in (1) above.

290 (3) If an individual does not receive any wages from the employing
291 unit which for the purposes of this chapter is treated as his employer, or re-
292 ceives his wages from some other employing unit, such employer shall never-
293 theless be liable for such individual's contributions in the first instance; and
294 after payment thereof such employer may deduct the amount of such con-
295 tributions from any sums payable by him to such employing unit, or may
296 recover the amount of such contributions from such employing unit or in the
297 absence of such an employing unit, from such individual, in a civil action
298 for debt; *provided*, proceedings therefor are instituted within three months
299 after the date on which such contributions are payable. General rules shall
300 be prescribed whereby such an employing unit may recover the amount of
301 such contributions from such individuals in the same manner as if it were
302 the employer.

303 (4) Every employer who has elected to become an employer subject to
304 this chapter or to cease to be an employer subject to this chapter, pursuant
305 to the provisions of section 43:21-8 of this Title, shall post and maintain
306 printed notices of such election on his premises, of such design, in such num-
307 bers, and at such places as the executive director may determine to be neces-
308 sary to give notice thereof to persons in his service.

309 (5) Contributions by workers, payable to the commission as herein
310 provided, shall be exempt from garnishment, attachment, execution, or any
311 other remedy for the collection of debts.

312 (e) Contributions by employers to State disability benefits fund.

313 (1) Except as hereinafter provided, each employer shall, in addition to
314 the contributions required by subsections (a), (b), and (c) of this section,
315 contribute one-quarter of one per centum ($\frac{1}{4}$ of 1%) of the wages paid by
316 such employer to workers with respect to employment after January first,

317 one thousand nine hundred and forty-nine. Such contributions shall become
318 due and be paid by each employer to the commission for the State disability
319 benefits fund as established by law, in accordance with such regulations as
320 may be prescribed, and shall not be deducted, in whole or in part, from the
321 remuneration of individuals in his employ. In the payment of any contribu-
322 tions, a fractional part of a cent shall be disregarded unless it amounts to
323 one-half cent (\$0.005) or more, in which case it shall be increased to one
324 cent (\$0.01).

325 (2) During the continuance of coverage of a worker by an approved
326 private plan of disability benefits under the Temporary Disability Benefits
327 Law, the employer shall be exempt from the contribution required by sub-
328 paragraph (1) above with respect to wages paid to such worker.

329 (3) (A) The rates of contribution as specified in subparagraph (1)
330 above shall be subject to modification as provided herein with respect to
331 employer contributions due on and after July first, one thousand nine hun-
332 dred and fifty-one.

333 (B) A separate disability benefits account shall be maintained for each
334 employer required to contribute to the State disability benefits fund and such
335 account shall be credited with contributions deposited in and credited to such
336 fund with respect to employment occurring on and after January first, one
337 thousand nine hundred and forty-nine. Each employer's account shall be
338 credited with all contributions paid on or before January thirty-first of any
339 calendar year on his own behalf and on behalf of individuals in his service
340 with respect to employment occurring in preceding calendar years. But
341 nothing in this act shall be construed to grant any employer or individuals
342 in his service prior claims or rights to the amounts paid by him to the fund
343 either on his own behalf or on behalf of such individuals. Benefits paid to
344 any covered individual in accordance with Article III of the Temporary Dis-
345 ability Benefits Law on or before January thirty-first of any calendar year
346 with respect to disability in preceding calendar years shall be charged
347 against the account of the employer by whom such individual was employed

348 at the commencement of such disability or by whom he was last employed if
349 out of employment.

350 (C) The commission may prescribe regulations for the establishment,
351 maintenance, and dissolution of joint accounts by two or more employers,
352 and shall, in accordance with such regulations and upon application by two
353 or more employers to establish such an account, or to merge their several
354 individual accounts in a joint account, maintain such joint account as if it
355 constituted a single employer's account.

356 (D) Prior to July first of each calendar year, the commission shall make
357 a preliminary determination of the rate of contribution for the twelve months
358 commencing on such July first for each employer subject to the contribution
359 requirements of this subsection (e).

360 (1) Such preliminary rate shall be one-quarter of one per centum ($\frac{1}{4}$ of
361 1%) unless on the preceding December thirty-first such employer shall have
362 been a covered employer for at least two full years and his account shall
363 have been credited with at least fifteen hundred dollars (\$1,500.00) of em-
364 ployer and employee contributions.

365 (2) If the minimum requirements in (1) above have been fulfilled and
366 the credited contributions exceed the benefits charged by more than five hun-
367 dred dollars (\$500.00), such preliminary rate shall be as follows:

368 (i) Two-tenths of one per centum ($\frac{2}{10}$ of 1%) if such excess over
369 five hundred dollars (\$500.00) exceeds one per centum (1%) but is less
370 than one and one-quarter per centum ($1\frac{1}{4}\%$) of his average annual pay-
371 roll (as defined in this chapter);

372 (ii) Fifteen one hundredths of one per centum ($\frac{15}{100}$ of 1%) if
373 such excess over five hundred dollars (\$500.00) equals or exceeds one
374 and one-quarter per centum ($1\frac{1}{4}\%$) but is less than one and one-half per
375 centum ($1\frac{1}{2}\%$) of his average annual payroll;

376 (iii) One-tenth of one per centum ($\frac{1}{10}$ of 1%) if such excess over
377 five hundred dollars (\$500.00) equals or exceeds one and one-half per
378 centum ($1\frac{1}{2}\%$) of his average annual payroll.

379 (3) If the minimum requirements in (1) above have been fulfilled and the
 380 contributions credited exceed the benefits charged but by not more than five
 381 hundred dollars (\$500.00) plus one per centum (1%) of his average annual
 382 payroll, or if the benefits charged exceed the contributions credited but by not
 383 more than five hundred dollars (\$500.00), the preliminary rate shall be one-
 384 quarter of one per centum ($\frac{1}{4}$ of 1%).

385 (4) If the minimum requirements in (1) above have been fulfilled and
 386 the benefits charged exceed the contributions credited by more than five hun-
 387 dred dollars (\$500.00), such preliminary rate shall be as follows:

388 (i) Thirty-five one hundredths of one per centum (35/100 of 1%) if
 389 such excess over five hundred dollars (\$500.00) is less than one-quarter
 390 of one per centum ($\frac{1}{4}$ of 1%) of his average annual payroll;

391 (ii) Forty-five one hundredths of one per centum (45/100 of 1%) if
 392 such excess over five hundred dollars (\$500.00) equals or exceeds one-
 393 quarter of one per centum ($\frac{1}{4}$ of 1%) but is less than one-half of one
 394 per centum ($\frac{1}{2}$ of 1%) of his average annual payroll;

395 (iii) Fifty-five one hundredths of one per centum (55/100 of 1%) if
 396 such excess over five hundred dollars (\$500.00) equals or exceeds one-
 397 half of one per centum ($\frac{1}{2}$ of 1%) but is less than three-quarters of one
 398 per centum ($\frac{3}{4}$ of 1%) of his average annual payroll;

399 (iv) Sixty-five one hundredths of one per centum (65/100 of 1%) if
 400 such excess over five hundred dollars (\$500.00) equals or exceeds three-
 401 quarters of one per centum ($\frac{3}{4}$ of 1%) but is less than one per centum
 402 (1%) of his average annual payroll;

403 (v) Seventy-five one hundredths of one per centum (75/100 of 1%)
 404 if such excess over five hundred dollars (\$500.00) equals or exceeds one
 405 per centum (1%) of his average annual payroll.

406 (5) Determination of the preliminary rate as specified in (2), (3) and
 407 (4) above shall be subject, however, to the condition that it shall in no event
 408 be decreased by more than one-tenth of one per centum ($\frac{1}{10}$ of 1%) of

409 wages or increased by more than two-tenths of one per centum ($2/10$ of 1%)
410 of wages from the preliminary rate determined for the preceding year in
411 accordance with (1), (2), (3) or (4), whichever shall have been applicable.

412 (E) (1) Prior to July first of each calendar year the commission shall
413 determine the amount of the State disability benefits fund as of December
414 thirty-first of the preceding calendar year increased by the contributions
415 paid thereto during January of the current calendar year with respect to em-
416 ployment occurring in preceding calendar years and decreased by the benefits
417 paid during January of the current calendar year with respect to disability in
418 preceding calendar years. If such amount exceeds the total of the amounts
419 withdrawn from the unemployment trust fund pursuant to section twenty-
420 three of the Temporary Disability Benefits Law plus the amount at the end
421 of such preceding calendar year of the unemployment disability account (as
422 defined in section twenty-two of said law), such excess shall be expressed as
423 a percentage of the wages on which contributions were paid to the State dis-
424 ability benefits fund on or before January thirty-first with respect to
425 employment in the preceding calendar year.

426 (2) The commission shall then make a final determination of the rates
427 of contribution for the twelve months commencing July first of such year for
428 employers whose preliminary rates are determined as provided in (D) hereof,
429 as follows:

430 (i) If the percentage determined in accordance with paragraph (1)
431 of this subsection equals or exceeds one and one-quarter per centum
432 ($1\frac{1}{4}\%$) the final employer rates shall be the preliminary rates deter-
433 mined as provided in (D) hereof, except that if the employer's prelimi-
434 nary rate is determined as provided in (D) (2) or (D) (3) hereof, the
435 final employer rate shall be the preliminary employer rate decreased by
436 such percentage of excess taken to the nearest five one hundredths of
437 one per centum ($5/100$ of 1%), but in no case shall such final rate be less
438 than one-tenth of one per centum ($1/10$ of 1%).

439 (ii) If the percentage determined in accordance with paragraph (1)
 440 of this subsection equals or exceeds three-quarters of one per centum
 441 ($\frac{3}{4}$ of 1%) and is less than one and one-quarter of one per centum ($1\frac{1}{4}$
 442 of 1%), the final employer rates shall be the preliminary employer rates.

443 (iii) If the percentage determined in accordance with paragraph
 444 (1) of this subsection is less than three-quarters of one per centum
 445 ($\frac{3}{4}$ of 1%), the final employer rates shall be the preliminary em-
 446 ployer rates determined as provided in (D) hereof increased by the
 447 difference between three-quarters of one per centum ($\frac{3}{4}$ of 1%) and
 448 such percentage taken to the nearest five one hundredths of one per
 449 centum ($\frac{5}{100}$ of 1%); *provided, however*, that no such final rate shall
 450 be more than one-quarter of one per centum ($\frac{1}{4}$ of 1%) in the case of
 451 an employer whose preliminary rate is determined as provided in (D)
 452 (2) hereof, more than one-half of one per centum ($\frac{1}{2}$ of 1%) in the
 453 case of an employer whose preliminary rate is determined as pro-
 454 vided in (D) (1) and (D) (3) hereof, nor more than three-quarters
 455 of one per centum ($\frac{3}{4}$ of 1%) in the case of an employer whose pre-
 456 liminary rate is determined as provided in (D) (4) hereof.

457 (iv) If the amount of the State disability benefits fund determined
 458 as provided in paragraph (1) of this subsection is equal to or less than
 459 the total of the amounts withdrawn from the unemployment trust
 460 fund pursuant to section twenty-three of the Temporary Disability
 461 Benefits Law plus the amount at the end of the preceding calendar year
 462 of the unemployment disability account, then the final rate shall be
 463 three-quarters of one per centum ($\frac{3}{4}$ of 1%) for all employers.

1 6. Section 43:21-11 of the Revised Statutes is amended to read as fol-
 2 lows:

3 43:21-11. (a) Duties and powers of the commission. It shall be the
 4 duty of the commission to determine all matters of policy; and it shall have
 5 power and authority to adopt, amend, or rescind such rules and regulations,

6 require such reports, make such investigations, and take such other action as
7 it deems necessary or suitable to that end or to administer this chapter; *pro-*
8 *vided*, that the commission may delegate such power and authority to the
9 executive director subject to their ultimate supervision and control. Such
10 rules and regulations shall be effective upon publication in the manner, not
11 inconsistent with the provisions of this chapter, which the commission shall
12 prescribe. The commission shall determine its own organization and
13 methods of procedure in accordance with the provisions of this chapter, and
14 shall have an official seal which shall be judicially noticed. Not later than
15 the first day of February of each year, the commission shall submit to the
16 Governor a report covering the administration and operation of this chapter
17 during the preceding calendar year and shall make such recommendations for
18 amendments to this chapter as the commission deems proper. Such report
19 shall include a balance sheet of the moneys in the fund in which there shall be
20 provided, if possible, a reserve against the liability in future years to pay
21 benefits in excess of the then current contributions, which reserve shall be
22 set up by the commission in accordance with accepted actuarial principles
23 on the basis of statistics of employment, business activity, and other relevant
24 factors for the longest possible period. Whenever the commission believes
25 that a change in contribution or benefit rates will become necessary to protect
26 the solvency of the fund, it shall promptly so inform the Governor and the
27 Legislature, and make recommendations with respect thereto. The com-
28 mission shall make a study of the problem of paying partial benefits for
29 partial unemployment.

30 (b) Regulations and general and special rules. General and special rules
31 may be adopted, amended, or rescinded by the commission. General rules
32 shall become effective ten days after filing with the Secretary of State and
33 publication in one or more newspapers of general circulation in this State.
34 Special rules shall become effective ten days after notification to or mailing
35 to the last known address of the individuals or concerns affected thereby.

36 Regulations may be adopted, amended, or rescinded by the commission and
37 shall become effective in the manner and at the time prescribed by the
38 commission.

39 (c) Publication. The commission shall cause to be printed for distribu-
40 tion to the public the text of this chapter, the commission's regulations and
41 general rules, its annual reports to the Governor, and any other material the
42 commission deems relevant and suitable and shall furnish the same to any
43 person upon application therefor.

44 (d) Personnel. Subject to other provisions of this chapter, the com-
45 mission is authorized to appoint (subject to the provisions of Title 11
46 Civil Service), fix the compensation, and prescribe the duties and powers of
47 such officers, accountants, attorneys, experts, and other persons as may be
48 necessary in the performance of its duties. All positions shall be filled by
49 persons selected and appointed on a nonpartisan merit basis from lists of
50 eligible persons prepared by the Civil Service Commission, in accordance
51 with the provisions of Title 11, Civil Service, except that any attorney, now
52 or hereafter in office or position of legal assistant for the commission, shall
53 be placed in the exempt class of the civil service and thereafter shall not be
54 subject to removal except for cause and then only in accordance with the pro-
55 visions of Title 11, Civil Service; *provided, however*, that nothing herein shall
56 be construed to apply to any attorney designated as special counsel in
57 accordance with the provisions of sections 43:21-6, subsection (h), and
58 43:21-17. The commission shall not employ or pay any person who is an
59 officer or committee member of any political party organization. The com-
60 mission may delegate to any such person so appointed such power and au-
61 thority as it deems reasonable and proper for the effective administration of
62 this chapter, and may in its discretion bond any person handling moneys or
63 signing checks hereunder.

64 (e) Advisory councils. The commission shall appoint a State advisory
65 council of six members and local advisory councils of four members each,

66 composed in each case of an equal number of employer representatives and
67 employee representatives who may fairly be regarded as representative
68 because of their vocation, employment, or affiliations, and of such members
69 representing the general public as the commission may designate. Such
70 councils shall aid the commission in formulating policies and discussing
71 problems related to the administration of this chapter and in assuring
72 impartiality and freedom from political influence in the solution of such
73 problems. Such advisory councils shall serve without compensation, but
74 shall be reimbursed for any necessary expenses.

75 (f) Employment stabilization. The commission, with the advice and aid
76 of its advisory councils, and through its appropriate divisions, shall take all
77 appropriate steps to reduce and prevent unemployment; to encourage and
78 assist in the adoption of practical methods of vocational training, retraining
79 and vocational guidance; to investigate, recommend, advise, and assist in the
80 establishment and operation, by municipalities, counties, school districts, and
81 the State, of reserves for public works to be used in times of business de-
82 pression and unemployment; to promote the re-employment of unemployed
83 workers throughout the State in every other way that may be feasible; and
84 to these ends to carry on and publish the results of investigations and re-
85 search studies.

86 (g) Records and reports. Each employing unit shall keep true and ac-
87 curate employment records, containing such information as may be pre-
88 scribed. Such records shall be open to inspection and be subject to being
89 copied by the director of the division or his authorized representatives at
90 any reasonable time. The director may require from any employ-
91 ing unit any sworn or unsworn reports, with respect to persons
91A employed by it, which is deemed necessary for the effective admin-
92 istration of this chapter. Under such rules and regulations as may be
93 adopted by the division reports relative to wages and separation from em-
94 ployment may be required from any employer or employing unit at the time

95 such employer or employing unit suspends business operations in this State.
96 If the nature of such suspension is temporary or in the nature of a transfer,
97 then the director may excuse the employer or employing unit from furnish-
98 ing such a termination report upon assurances that proper arrangements have
99 been made to supply any information which may be required under sub-
100 paragraph (B) of paragraph (1) of subsection (b) of section 43:21-6 of this
101 Title. Information thus obtained shall not be published or be open to public
102 inspection (other than to public employees in the performance of their pub-
103 lic duties) in any manner revealing the employing unit's identity, but any
104 claimant at a hearing before an appeal tribunal, the commission or the board
105 of review, shall be supplied with information from such records to the ex-
106 tent necessary for the proper presentation of his claim. Any employee or
107 member of the commission who violates any provision of this section shall
108 be liable to a fine of not less than twenty dollars (\$20.00) nor more than two
109 hundred dollars (\$200.00), to be recovered in an action at law in the name of
110 the commission, said fine when recovered to be paid to the unemployment
111 compensation fund for the use of said fund.

112 (h) Oaths and witnesses. In the discharge of the duties imposed by this
113 chapter, the chairman of an appeal tribunal and any duly authorized repre-
114 sentative or member of the commission, the executive director or any deputy
115 director thereof or member of the board of review shall have power to ad-
116 minister oaths and affirmations, take depositions, certify to official acts, and
117 issue subpoenas to compel the attendance of witnesses and the production of
118 books, papers, correspondence, memoranda, and other records deemed neces-
119 sary as evidence in connection with a disputed claim or the administration
120 of this chapter. Witnesses subpoenaed pursuant to this section shall in the
121 discretion of the commission be allowed fees at a rate to be fixed by it. Such
122 fees shall be deemed a part of the expense of administering this chapter.

123 (i) Subpoenas. In case of contumacy by, or refusal to obey a subpoena
124 issued to any person, any court of this State within the jurisdiction of which

125 the inquiry is carried on or within the jurisdiction of which said person
126 guilty of contumacy or refusal to obey is found or resides or transacts busi-
127 ness, upon application by the commission or its duly authorized representa-
128 tive, or the board of review, shall have jurisdiction to issue to such person
129 an order requiring such person to appear before the board of review or a
130 member thereof, a commissioner, the commission, the executive director, or
131 his duly authorized representative, there to produce evidence if so ordered
132 or there to give testimony touching the matter under investigation or in
133 question; and any failure to obey such order of the court may be punished
134 by said court as a contempt thereof. Any person who shall without just cause
135 fail or refuse to attend and testify or to answer any lawful inquiry or to pro-
136 duce books, papers, correspondence, memoranda, and other records, if it is
137 in his power so to do, in obedience to a subpoena of the commission or of the
138 board of review shall be punished by a fine of not more than two hundred
139 dollars (\$200.00) or by imprisonment for not longer than sixty days, or by
140 both such fine and imprisonment, and each day such violation continues shall
141 be deemed to be a separate offense.

142 (j) Protection against self-incrimination. No person shall be excused
143 from attending and testifying or from producing books, papers, correspond-
144 ence, memoranda, and other records before the commission or the board of
145 review or in obedience to the subpoena of a member of the commission or the
146 executive director thereof, the board of review or a member thereof, or any
147 duly authorized representative of the commission in any cause or proceeding
148 before the commission, the board of review or a member thereof, on the
149 ground that the testimony or evidence, documentary or otherwise, required
150 of him may tend to incriminate him or subject him to a penalty or forfeiture;
151 but no individual shall be prosecuted or subjected to any penalty or forfei-
152 ture for or on account of any transaction, matter, or thing concerning which
153 he is compelled, after having claimed his privilege against self-incrimina-
154 tion, to testify or produce evidence, documentary or otherwise, except that

155 such individual so testifying shall not be exempt from prosecution and pun-
156 ishment for perjury committed in so testifying.

157 (k) State-Federal co-operation. In the administration of this chapter
158 the commission shall co-operate to the fullest extent consistent with the pro-
159 visions of this chapter, with the Social Security Board, created by the social
160 security act, approved August fourteenth, one thousand nine hundred and
161 thirty-five, as amended; shall make such reports, in such form and containing
162 such information as the Social Security Board may from time to time require,
163 and shall comply with such provisions as the Social Security Board may
164 from time to time find necessary to assure the correctness and verification of
165 such reports; and shall comply with the regulations prescribed by the Social
166 Security Board governing the expenditures of such sums as may be allotted
167 and paid to this State under Title III of the social security act for the pur-
168 pose of assisting in the administration of this chapter.

169 Upon request therefor the executive director shall furnish to any agency
170 of the United States charged with the administration of public works or
171 assistance through public employment, the name, address, ordinary occupa-
172 tion, and employment status of each recipient of benefits and such recipient's
173 rights to further benefits under this chapter.

174 The commission may make the State's records relating to the administra-
175 tion of this chapter available to the Railroad Retirement Board and may
176 furnish the Railroad Retirement Board, at the expense of such board, such
177 copies thereof as the Railroad Retirement Board deems necessary for its
178 purposes.

179 The commission may afford reasonable co-operation with every agency
180 of the United States charged with the administration of any unemployment
181 insurance law.

1 7. Section 43:21-16 of the Revised Statutes is amended to read as fol-
2 lows:

3 43:21-16. (a) Whoever makes a false statement or representation know-
4 ing it to be false or knowingly fails to disclose a material fact, to obtain or

5 increase any benefit or other payment under this chapter, either for him-
6 self or for any other person, shall be liable to a fine of twenty dollars (\$20.00)
7 for each offense, to be recovered in an action at law in the name of the divi-
8 sion or as provided in subsection (e) of R. S. 43:21-14, said fine when re-
9 covered to be paid to the unemployment compensation auxiliary fund for
10 the use of said fund; and each such false statement or representation or
11-12 failure to disclose a material fact shall constitute a separate offense.

13 (b) (1) Any employing unit or any officer or agent of an employing
14 unit or any other person who makes a false statement or representation
15 knowing it to be false, or who knowingly fails to disclose a material fact,
16 to prevent or reduce the payment of benefits to any individual entitled
17 thereto, or to avoid becoming or remaining subject hereto or to avoid or
18 reduce any contribution or other payment required from an employing unit
19 under this chapter, or who willfully fails or refuses to furnish any reports
20 required hereunder or to produce or permit the inspection or copying of
21 records as required hereunder, shall be liable to a fine of fifty dollars (\$50.00),
22 to be recovered in an action at law in the name of the division or as provided
23 in subsection (e) of section 43:21-14. Said fine when recovered shall be paid
24 to the unemployment compensation auxiliary fund for the use of said fund;
25 and each such false statement or representation or failure to disclose a ma-
26 terial fact, and each day of such failure or refusal shall constitute a sep-
27 arate offense. Any penalties imposed pursuant to this subsection shall be
28-30 in addition to those otherwise prescribed in this chapter.

31 (2) Any employing unit or any officer or agent of an employing unit
32 or any other person who fails to submit any report required under sub-
33 paragraph 21-6 (b) (1) (B) shall be subject to a penalty of five dollars
34 (\$5.00) for each such report not submitted within ten days after being
35 served with a special demand therefor in writing by the director, and an
36 additional five-dollar (\$5.00) penalty may be assessed for each full week
37 which may elapse after the end of said ten-day period and before the re-
38 port is filed; *provided*, that when such report or reports are filed after

39 said ten-day period but it is shown to the satisfaction of the director that
40 the failure was due to reasonable cause, no such penalty shall be imposed.
41 The assessment of any penalty under this paragraph shall be subject to
42 review in the same manner and under the same conditions as provided in
43 subsection 43:21-6 (b) for the review of initial determinations on benefit
44 claims.

45 (c) Any person who shall willfully violate any provision of this chap-
46 ter or any rule or regulation thereunder, the violation of which is made
47 unlawful or the observance of which is required under the terms of this
48 chapter, and for which a penalty is neither prescribed herein nor provided
49 by any other applicable statute, shall be liable to a fine of fifty dollars
50 (\$50.00), to be recovered in an action at law in the name of the division or
51 as provided in subsection (e) of section 43:21-14, said fine when recovered to
52 be paid to the unemployment compensation auxiliary fund for the use of said
53 fund; and each day such violation continues shall be deemed to be a separate
54 offense.

55 (d) When it is determined by a representative or representative desig-
56 nated by the director that any person, by reason of the nondisclosure or mis-
57 representation by him or by another, of a material fact whether or not such
58 nondisclosure or misrepresentation (was known or fraudulent) has received
59 any sum as benefits under this chapter while any conditions for the receipt
60 of benefits imposed by this chapter were not fulfilled in his case, or while he
61 was disqualified from receiving benefits, such person shall, if the director in
62 his discretion directs recovery, either be liable to have such sum deducted
63 from any future benefits payable to him under this chapter or to repay to the
64 division for the unemployment compensation fund, a sum equal to the amount
65 so received by him, and such sum shall be collectible in the manner provided
66 in subsection (e) of section 43:21-14 of this Title for the collection of past-
67 due contributions. Such person shall be promptly notified of the determina-
68 tion and the reasons therefor. Unless such person, within five calendar days
69 after the delivery of such determination, or within seven calendar days after

70 such notification was mailed to his or her last-known address, files an appeal
71-75 from such determination, such determination shall be final.

76 (e) Any employing unit, employer or person failing to remit, when pay-
77 able, any employer contributions, or worker contributions (if withheld or de-
78 ducted) or the amount of such worker contributions (if not withheld or de-
79 ducted), or files or causes to be filed with the Division of Employment Security
80 of the Department of Labor and Industry of the State of New Jersey, any
81 false or fraudulent report or statement, and any person who aids or abets an
82 employing unit, employer, or any person in the preparation or filing of any
83 false or fraudulent report or statement with the aforesaid division with the
84 intent to defraud the aforesaid division or the State of New Jersey or with
85 intent to evade the payment of any contributions, interest or penalties, or any
86 part thereof, which shall be due under the provisions of this chapter (R. S.
87 43:21-1 et seq.), shall be liable for each offense upon conviction before any
88 County Court, county district court, criminal judicial district court, or magis-
89 trate's court, to a fine not to exceed two hundred fifty dollars (\$250.00) or by
90 imprisonment for a term not to exceed ninety days, or both, at the discretion
91 of the court. The fine upon conviction shall be payable to the unemployment
92 compensation auxiliary fund of the Division of Employment Security of the
93 Department of Labor and Industry of the State of New Jersey. Any penalties
94 imposed by this subsection shall be in addition to those otherwise prescribed
95 in this chapter (R. S. 43:21-1 et seq.).

1 8. As used in chapter twenty-one of Title 43 of the Revised Statutes, un-
2 less the context clearly requires otherwise:

3 (a) "Base year," with respect to benefit years commencing on or after
4 January first, one thousand nine hundred and fifty-one, shall mean the fifty-
5 two calendar weeks immediately preceding an individual's benefit year.

6 (b) "Remuneration," with respect to benefit years commencing on or
7 after January first, one thousand nine hundred and fifty-one, shall include the
8 entire remuneration as defined in subsection (p) of R. S. 43:21-19.

9 (c) "Credit week" means any calendar week of an individual's base year
10 during which he earned in employment from an employer not less than fifteen
11 dollars (\$15.00).

12 (d) "Average weekly wage" with respect to any determination means
13 the amount derived by dividing an individual's total wages received from his
14 employer during the current calendar year, by the number of calendar weeks
15 in which such wages were earned; *provided*, that if there were not at least
16 eight such weeks in the current year said amount shall be derived by dividing
17 the individual's total wages received from his employer during both the cur-
18 rent calendar year and the preceding calendar year, by the number of cal-
19 endar weeks in which such wages were earned.

20 If on application of a claimant it is determined that he has been em-
21 ployed during at least the four weeks immediately preceding his separation
22 from employment by an employer on a substantially reduced schedule of
23 weekly hours due to lack of work, all such weeks of reduced hours within the
24 base period and his wages therefor shall be disregarded in computing his
25 average weekly wage.

1 9. This act shall take effect July first, one thousand nine hundred and
2 fifty.

3
COMMITTEE SUBSTITUTE FOR

SENATE, No. 310

STATE OF NEW JERSEY

ADOPTED MARCH 30, 1950

AN ACT concerning unemployment compensation, and amending sections 43:21-3,
43:21-4, 43:21-5 and 43:21-7 of the Revised Statutes.

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

1 1. Section 43:21-3 of the Revised Statutes is amended to read as fol-
2 lows:

3 43:21-3. (a) Payment of benefits. Twenty-five months after the date
4 when contributions first accrue under this chapter, benefits shall become pay-
5 able from the fund; *provided*, that remuneration or services with respect to
6 which unemployment compensation is payable under the Railroad Unemploy-
7 ment Insurance Act (52 Stat. 1094), irrespective of when performed, shall
8 not be included for purposes of determining eligibility under subsection (e)
9 of section 43:21-4 of this chapter or the weekly benefit rate under subsec-
10 tion (c) of this section for the purpose of any benefit year commencing on
11 or after July first, one thousand nine hundred and thirty-nine, nor shall any
12 benefits with respect to unemployment occurring on and after July first, one
13 thousand nine hundred and thirty-nine, be payable under subsection (d) of
14 this section on the basis of such remuneration. All benefits shall be paid
15 through employment offices, or such other agencies as may be designated in
16 accordance with such regulations as may be prescribed hereunder.

17 (b) Weekly benefits for unemployment. Each eligible individual who is
18 unemployed (as defined in subsection (m) of section 43:21-19 of this chap-
19 ter) in any week shall be paid with respect to such week (except as to final
20 payment) an amount equal to his weekly benefit rate less any remuneration

21 in excess of three dollars (\$3.00) paid or payable to him for such week;
 22 *provided*, that such amount shall be computed to the next highest multiple of
 23 one dollar (\$1.00), if not already a multiple thereof.

24 (c) Weekly benefit rate. An individual's weekly rate shall be one-
 25 twenty-second of his total wages in that calendar quarter in which said total
 26 wages were highest during his base year; *provided*, that such rate shall be
 27 computed to the next highest multiple of one dollar (\$1.00) if not already a
 28 multiple thereof, and shall not be more than twenty-eight dollars (\$28.00)
 29 nor less than ten dollars (\$10.00).

30 (d) Maximum total benefits. The maximum total amount of benefits
 31 payable to any eligible individual under either of subsections (c) and (f) of
 32 section 43:21-4 of this Title during any benefit year shall be either one-third
 33 of his total wages during his base year, computed to the next highest multiple
 34 of one dollar (\$1.00), if not already a multiple thereof, or twenty-six times
 35 his weekly benefit rate, whichever is the lesser; in no event, however, are
 36 such total benefits under either of said subsections (c) and (f) to be less than
 37 ten times his weekly benefit rate. In the event that an individual qualified
 38 for benefits under both of said subsections during any benefit year, the
 39 maximum total amount of benefits payable under said subsections combined
 40 to such individual during the benefit year shall be one and one-half times the
 41 maximum amount of benefits payable under one of said subsections.

1 2. Section 43:21-4 of the Revised Statutes is amended to read as follows:

2 43:21-4. An individual, totally or partially unemployed, shall be eligible
 3 to receive benefits with respect to any week only if it appears that:

4 (a) He has registered for work at, and thereafter continued to report
 5 at, an employment office in accordance with such regulations as the commis-
 6 sion may prescribe, except that the commission may, by regulation, waive or
 7 alter either or both of the requirements of this subsection as to individuals
 8 attached to regular jobs, and as to such other types of cases or situations with
 9 respect to which the commission finds that compliance with such require-
 10 ments would be oppressive, or would be inconsistent with the purpose of this

11 act; *provided*, that no such regulation shall conflict with subsection (a) of
12 section 43:21-3 of the Revised Statutes.

13 (b) He has made a claim for benefits in accordance with the provisions
14 of subsection (a) of section 43:21-6 of this Title.

15 (c) He is able to work, is available for work, and has demonstrated that
16 he is actively seeking work, except as provided in subsection (f) of this
17 section;

18 (d) Prior to the first week for which he claims benefits in any benefit
19 year he has been totally or partially unemployed for a waiting period of one
20 week in that benefit year. No week shall be counted as a week of unemploy-
21 ment for the purposes of this subsection:

22 (1) if benefits have been paid, or are payable with respect thereto;

23 (2) if it has constituted a waiting period week under the Temporary
24 Disability Benefits Law;

25 (3) unless the individual fulfills the requirements of subsections (a) and
26 (c) of this section.

27 (e) His wages within his base year were not less than thirty times his
28 weekly benefit amount.

29-33 (f) He has suffered any accident or sickness not compensable under the
34 workmen's compensation law (Title 34 of the Revised Statutes) and resulting
35 in his total disability to perform any work for remuneration, and would be
36 eligible to receive benefits under this chapter (without regard to the maxi-
37 mum amount of benefits payable during any benefit year) except for his
38 inability to work and has furnished notice and proof of claim to the commis-
39 sion, in accordance with its rules and regulations, and payment is not pre-
40 cluded by the provisions of subsection (g) hereof or of section 43:21-3 (d)
41 of this Title. Such benefit payments shall be charged to and paid from the
42 State disability benefits fund established by the Temporary Disability
43 Benefits Law, and shall not be charged to any employer account in comput-
44 ing any employer's experience rate for contributions payable under this
45 chapter.

46 (g) No benefits shall be payable under subsection (f) above to any
47 individual:

48 (1) for any period during which such individual is not under the care
49 of a legally licensed physician;

50 (2) for any period of disability due to pregnancy or resulting child-
51 birth, miscarriage, or abortion;

52 (3) for any period of disability due to willfully or intentionally self-
53 inflicted injury, or to injuries sustained in the perpetration by the individual
54 of a high misdemeanor;

55 (4) for any week with respect to which or a part of which he has
56 received or is seeking unemployment benefits under any unemployment
57 compensation or disability benefit law of any other State or of the United
58 States; *provided*, that if the appropriate agency of such other State or of the
59 United States finally determines that he is not entitled to such benefits, this
60 disqualification shall not apply;

61 (5) for the two weeks immediately following detachment from any
62 maritime services performed under shipping articles;

63 (6) for any week with respect to which or part of which he has received
64 or is seeking disability benefits under the Temporary Disability Benefits Law;

65 (7) for any period of disability commencing prior to January first, one
66 thousand nine hundred and forty-nine, or for any period of disability com-
67 mencing while such individual is a "covered individual" as defined in sub-
68 section three (b) of the Temporary Disability Benefits Law (chapter 110,
69 P. L. 1948), or after the expiration of twenty-six consecutive weeks during
70 which the individual has been unemployed and ineligible or disqualified for
71 benefits for such unemployment.

72 (h) Notwithstanding any other provision of this chapter, the director
73 may, to the extent that he deems efficient and economical, provide for con-
74 solidated administration by one or more representatives or deputies of claims
75 made pursuant to subsection (f) of this section with those made pursuant to
76 article III (State plan) of the Temporary Disability Benefits Law.

1 3. Section 43:21-5 of the Revised Statutes is amended to read as follows:

2 43:21-5. An individual shall be disqualified for benefits:

3 (a) For the week in which he has left work voluntarily without good
4 cause, and for each week thereafter until he has earned in employment at
5 least four times his weekly benefit rate, as determined in each case.

6 (b) For the week in which he has been discharged for misconduct con-
7 nected with his work, and for the five weeks which immediately follow such
8 week (in addition to the waiting period), as determined in each case.

9 (c) If it is found that he has failed, without good cause, either to apply
10 for available, suitable work when so directed by the employment office or the
11 director or to accept suitable work when offered him, or to return to his cus-
12 tomary self-employment (if any) when so directed by the director. Such dis-
13 qualification shall continue for the week in which such failure occurred and
14 for the three weeks which immediately follow such week (in addition to the
15-18 waiting period), as determined:

19 (1) In determining whether or not any work is suitable for an
20 individual, consideration shall be given to the degree of risk involved to
21 his health, safety and morals, his physical fitness and prior training, his
22 experience and prior earnings, his length of unemployment and prospects
23 for securing local work in his customary occupation, and the distance of
24 the available work from his residence.

25 (2) Notwithstanding any other provisions of this chapter, no work
26 shall be deemed suitable and benefits shall not be denied under this chap-
27 ter to any otherwise eligible individual for refusing to accept new work
28 under any of the following conditions: (a) If the position offered is
29 vacant due directly to a strike, lockout, or other labor dispute; (b) if
30 the remuneration, hours, or other conditions of the work offered are sub-
31 stantially less favorable to the individual than those prevailing for
32 similar work in the locality; (c) if as a condition of being employed the
33 individual would be required to join a company union or to resign from
34 or refrain from joining any bona fide labor organization.

35 (d) For any week with respect to which it is found that his unem-
 36 ployment is due to a stoppage of work which exists because of a labor
 37 dispute at the factory, establishment, or other premises at which he is or was
 38 last employed; *provided*, that this subsection shall not apply if it is shown
 39 that:

40 (1) He is not participating in or financing or directly interested in
 41 the labor dispute which caused the stoppage of work; and

42 (2) He does not belong to a grade or class of workers of which,
 43 immediately before the commencement of the stoppage, there were mem-
 44 bers employed at the premises at which the stoppage occurs, any of
 45 whom are participating in or financing or directly interested in the dis-
 46 pute; *provided*, that if in any case in which (1) or (2) above applies
 47 separate branches of work which are commonly conducted as separate
 48 businesses in separate premises are conducted in separate departments
 49 of the same premises, each such department shall, for the purposes of
 50 this subsection, be deemed to be a separate factory, establishment, or
 51 other premises.

52 (e) For any week with respect to which he is receiving or has received
 53 remuneration in lieu of notice.

54 (f) For any week with respect to which or a part of which he has
 55 received or is seeking unemployment benefits under an unemployment com-
 56 pensation law of any other State or of the United States; *provided*, that if
 57 the appropriate agency of such other State or of the United States finally
 58 determines that he is not entitled to such unemployment benefits, this dis-
 59 qualification shall not apply.

60 (g) For the two weeks immediately following detachment from any
 61 maritime services performed under shipping articles.

1 4. Section 43:21-7 of the Revised Statutes is amended to read as follows:

2 43:21-7. (a) Payment.

3 (1) On and after December first, one thousand nine hundred and thirty-
 4 six, contributions shall accrue and become payable by each employer for each

5 calendar year in which he is subject to this chapter, with respect to having
 6 individuals in his employ during such calendar year at the rates and on the
 7 basis hereinafter set forth, except that for the month of December, one thou-
 8 sand nine hundred and thirty-six, such contributions shall accrue and become
 9 payable with respect to having individuals in his employ during the month
 10 of December, one thousand nine hundred and thirty-six. Such contributions
 11 shall become due and be paid by each employer to the Division of Employ-
 12 ment Security for the fund in accordance with such regulations as may be
 13 prescribed, and shall not be deducted, in whole or in part, from the
 14 remuneration of individuals in his employ.

15 (2) In the payment of any contributions, a fractional part of a cent shall
 16 be disregarded unless it amounts to one-half cent (\$0.005) or more, in which
 17 case it shall be increased to one cent (\$0.01).

18 (b) Rate of contributions. Each employer shall pay the following con-
 19 tributions:

20 (1) Ten and eight-tenths per centum ($10 \frac{8}{10}\%$) of wages payable with
 21 respect to employment during the month of December, one thousand nine
 22 hundred and thirty-six and paid prior to January first, one thousand nine
 23 hundred and forty-seven; *provided*, that if the total of such contributions at
 24 such ten and eight-tenths per centum ($10 \frac{8}{10}\%$) rate equals less than nine-
 25 tenths of one per centum ($\frac{9}{10}$ of 1%) of the annual payroll of any
 26 employer payable for the calendar year one thousand nine hundred and
 27 thirty-six, such employer shall pay, not later than January twenty-fifth, one
 28 thousand nine hundred and thirty-seven, an additional lump-sum contribution
 29 with respect to employment for such one month's period beginning Decem-
 30 ber first, one thousand nine hundred and thirty-six, equal to the difference
 31 between nine-tenths of one per centum ($\frac{9}{10}$ of 1%) of his annual payroll
 32 payable for the calendar year one thousand nine hundred and thirty-six and
 33 the total of his contributions at such ten and eight-tenths per centum
 34 ($10 \frac{8}{10}\%$) for such one month's period beginning December first, one thou-
 35 sand nine hundred and thirty-six; *and provided further*, that the total of

36 such contributions with respect to employment for such one month's period
37 beginning December first, one thousand nine hundred and thirty-six, shall
38 not exceed nine-tenths of one per centum ($9/10$ of 1%) of such employer's
39 annual payroll payable for the calendar year one thousand nine hundred and
40 thirty-six.

41 (2) One and eight-tenths per centum ($1\frac{8}{10}\%$) of wages payable with
42 respect to employment during the calendar year one thousand nine hundred
43 and thirty-seven and paid prior to January first, one thousand nine hundred
44 and forty-seven;

45 (3) Two and seven-tenths per centum ($2\frac{7}{10}\%$) of wages payable with
46 respect to employment during the calendar years one thousand nine hundred
47 and thirty-eight, one thousand nine hundred and thirty-nine, one thousand
48 nine hundred and forty and one thousand nine hundred and forty-one and
49 paid prior to January first, one thousand nine hundred and forty-seven; and,
50 except as otherwise prescribed by subsection (c) of this section, also during
51 the calendar years one thousand nine hundred and forty-two to one thousand
52 nine hundred and forty-six, inclusive, and paid prior to January first, one
53 thousand nine hundred and forty-seven; and

54 (4) For the calendar year one thousand nine hundred and forty-seven,
55 and each calendar year thereafter, two and seven-tenths per centum
56 ($2\frac{7}{10}\%$) of wages paid by him during each such calendar year, except as
57 otherwise prescribed by subsection (c) of this section.

58 (5) The "wages" of any individual, with respect to any one employer
59 as the term is used in this subsection (b) and in subsections (c), (d) and
60 (e) of this section seven, shall include:

61 (A) All remuneration payable for the month of December, one
62 thousand nine hundred and thirty-six, and for the calendar years one
63 thousand nine hundred and thirty-seven, one thousand nine hundred and
64 thirty-eight, one thousand nine hundred and thirty-nine, and paid prior
65 to January first, one thousand nine hundred and forty-seven;

66 (B) The first three thousand dollars (\$3,000.00) earned for each of
 67 the calendar years one thousand nine hundred and forty to one thou-
 68 sand nine hundred and forty-six, inclusive, and paid prior to January
 69 first, one thousand nine hundred and forty-seven; and

70 (C) The first three thousand dollars (\$3,000.00) paid during the
 71 calendar year one thousand nine hundred and forty-seven and during
 72 each calendar year thereafter, for services either within or without this
 73 State; *provided*, that no contribution shall be required by this State with
 74 respect to services performed in another State if such other State im-
 75 poses contribution liability with respect thereto.

76 (c) Future rates based on benefit experience: (1) A separate account
 77 for each employer shall be maintained and this shall be credited with all the
 78 contributions which he has paid on his own behalf on or before January
 79 thirty-first of any calendar year with respect to employment occurring in
 80 preceding calendar years. But nothing in this chapter shall be construed to
 81 grant any employer or individuals in his service prior claims or rights to
 82 the amounts paid by him into the fund either on his own behalf or on behalf
 83 of such individuals. Benefits paid to any individual on or before January
 84 thirty-first of any calendar year with respect to unemployment in preceding
 85 calendar years shall be charged against the account of each of the employers
 86 with whom such individual accrued the wage credits constituting the basis
 87 of such benefits, in the same proportion as such wage credits with each such
 88 employer bear to such wage credits with all such employers. The Division
 89 of Employment Security shall furnish to each employer at such frequency
 90 as the division shall, by regulation, prescribe, but in no case less frequently
 91 than annually, a detailed statement of benefits charged to his account.

92 (2) The Division of Employment Security may prescribe regulations
 93 for the establishment, maintenance, and dissolution of joint accounts by two
 94 or more employers, and shall, in accordance with such regulations and upon
 95 application by two or more employers to establish such an account, or to
 96 merge their several individual accounts in a joint account, maintain such
 97-115 joint account as if it constituted a single employer's account.

116 (3) Each employer's rate shall be two and seven-tenths per centum
117 (2 7/10%), except as otherwise provided in the following provisions: No
118 employer's rate shall be other than two and seven-tenths per centum
119 (2 7/10%) unless and until there shall have been three calendar years
120 throughout which any individual in his employ could have received benefits
121 if eligible.

122 (4) Each employer's rate for the twelve months commencing July first
123 of any calendar year shall be determined on the basis of his record up to the
124 beginning of such calendar year. If, at the beginning of such calendar year,
125 the total of all his contributions, paid on his own behalf, for all past years
126 exceeds the total benefits charged to his account for all such years, his con-
127 tribution rate shall be:

128 (A) Two and four-tenths per centum (2 4/10%), if such excess
129 equals or exceeds four per centum (4%), but is less than five per centum
130 (5%) of his average annual payroll (as defined in paragraph (2), sub-
131 section (a) of section 43:21-19 of this Title);

132 (B) Two and one-tenth per centum (2 1/10%), if such excess equals
133 or exceeds five per centum (5%), but is less than six per centum (6%)
134 of his average annual payroll;

135 (C) One and eight-tenths per centum (1 8/10%), if such excess
136 equals or exceeds six per centum (6%), but is less than seven per centum
137 (7%) of his average annual payroll;

138 (D) One and five-tenths per centum (1 5/10%), if such excess
139 equals or exceeds seven per centum (7%), but is less than eight per
140 centum (8%) of his average annual payroll;

141 (E) One and two-tenths per centum (1 2/10%), if such excess
142 equals or exceeds eight per centum (8%), but is less than nine per
143 centum (9%), of his average annual payroll;

144 (F) Nine-tenths of one per centum (9/10 of 1%), if such excess
145 equals or exceeds nine per centum (9%), but is less than ten per centum
146 (10%), of his average annual payroll;

147 (G) Six-tenths of one per centum ($6/10$ of 1%), if such excess
148 equals or exceeds ten per centum (10%), but is less than eleven per
149 centum (11%), of his average annual payroll;

150 (H) Three-tenths of one per centum ($3/10$ of 1%), if such excess
151 equals or exceeds eleven per centum (11%) of his average annual pay-
152 roll.

153 If the total of his contributions, paid on his own behalf, for all past
154 periods, or for the past one hundred twenty consecutive calendar months,
155 whichever period is more advantageous to such employer for the purposes
156 of this paragraph, is less than the total benefits charged against his account
157 during the same period, his rate shall be three per centum (3%).

158 (5) (A) If on March thirty-first of any calendar year the balance in
159 the Unemployment Trust Fund equals or exceeds four per centum (4%) but is
160 less than seven per centum (7%) of the total taxable wages reported to the
161 division as of that date in respect to employment during the preceding
162 calendar year, the contribution rate, effective July first following, of each
163 employer eligible for a contribution rate calculation based upon benefit expe-
164 rience, shall be increased by three-tenths of one per centum ($3/10$ of 1%)
165 over the contribution rate otherwise established under the provisions of para-
166 graph (4) of this subsection. If on March thirty-first of any calendar year
167 the balance of the Unemployment Trust Fund is less than four per centum
168 (4%) of the total taxable wages reported to the Division of Employment
169 Security as of that date in respect to employment during the preceding
170 calendar year, the contribution rate, effective July first following, of each
171 employer eligible for a contribution rate calculation based upon benefit
172 experience, shall be increased by six-tenths of one per centum ($6/10$ of 1%)
173 over the contribution rate otherwise established under the provisions of
174 paragraph (4) of this subsection; *provided*, that if on such March thirty-
175 first, such balance is less than two and one-half per centum ($2\frac{1}{2}\%$) of such
176 total taxable wages, the contribution rate so effective, of any employer, shall
177 be not less than two and seven-tenths per centum ($2\frac{7}{10}\%$); *provided*

178 *further*, that the contribution rate of any employer increased pursuant to
179 the provisions of this subparagraph, when so increased, shall not exceed
180 three and six-tenths per centum ($3\frac{6}{10}\%$).

181 (B) If on March thirty-first of any calendar year the balance in the
182 Unemployment Trust Fund equals or exceeds ten per centum (10%) but is
183 less than twelve and one-half per centum ($12\frac{1}{2}\%$) of the total taxable wages
184 reported to the Division of Employment Security as of that date in respect
185 to employment during the preceding calendar year, the contribution rate,
186 effective July first following, of each employer eligible for a contribution
187 rate calculation based upon benefit experience, shall be reduced by three-
188 tenths of one per centum ($\frac{3}{10}$ of 1%) under the contribution rate other-
189 wise established under the provisions of paragraphs (3) and (4) of this
190 subsection; *provided*, that in no event shall the contribution rate of any
191 employer be reduced to less than three-tenths of one per centum ($\frac{3}{10}$ of
192 1%). If on March thirty-first of any calendar year the balance in the Unem-
193 ployment Trust Fund equals or exceeds twelve and one-half per centum
194 ($12\frac{1}{2}\%$) of the total taxable wages reported to the division as of that date
195 in respect to employment during the preceding calendar year, the contribu-
196 tion rate, effective July first following, of each employer eligible for a
197 contribution rate calculation based upon benefit experience, shall be reduced
198 by six-tenths of one per centum ($\frac{6}{10}$ of 1%) if his account reflects an excess
199 of contributions paid over total benefits charged of three per centum (3%)
200 or more of his average annual payroll, otherwise by three-tenths of one per
201 centum ($\frac{3}{10}$ of 1%) under the contribution rate otherwise established
202 under the provisions of paragraphs (3) and (4) of this subsection; *provided*,
203 that in no event shall the contribution rate of any employer be reduced to
204 less than three-tenths of one per centum ($\frac{3}{10}$ of 1%).

205 (6) Additional contributions.

206 Notwithstanding any other provision of law, any employer who has been
207 assigned a contribution rate pursuant to subsection (c) of this section for
208 the year commencing July first, one thousand nine hundred and forty-eight,

209 and for any year commencing July first thereafter, may voluntarily make
210 payment of additional contributions, and upon such payment shall receive
211 a recomputation of the experience rate applicable to such employer in-
212 cluding in the calculation the additional contribution so made. Any such
213 additional contribution shall be made during the thirty-day period follow-
214 ing the date of the mailing to the employer of the notice of his contribution
215 rate as prescribed in this section, unless, for good cause, the time for pay-
216 ment has been extended by the director for not to exceed an additional
217 sixty days; *provided*, that in no event may such payments which are made
218 later than one hundred twenty days after the beginning of the year for
219 which such rates are effective be considered in determining the experience
220 rate for the year in which the payment is made. Any employer receiving
221 any extended period of time within which to make such additional payment
222 and failing to make such payment timely shall pay, in addition to the re-
223 quired amount of additional payment, a penalty of five per centum (5%)
224 thereof or five dollars (\$5.00), whichever is greater, not to exceed fifty dol-
225 lars (\$50.00). Any adjustment under this subsection shall be made only in
226 the form of credits against accrued or future contributions.

227 (7) Transfers.

228 An employer who transfers his or its organization, trade, assets or
229 business, in whole or in part, to a successor in interest, whether by merger,
230 consolidation, sale, transfer, descent or otherwise, may jointly make applica-
231 tion with such successor in interest for transfer of the employment experi-
232 ence of the predecessor employer to the successor in interest, including
233 credit for past years, contributions paid, annual payrolls, benefit charges,
234 et cetera, applicable to such predecessor employer. The Division of Employ-
235 ment Security may allow such transfer of employment experience pursuant
236 to regulations adopted by the division, only if it finds that the employment
237 experience of the predecessor employer with respect to the organization,
238 trade, assets or business, or part thereof, as the case may be, which has been
239 transferred, may be considered indicative of the future employment experi-

240 ence of the successor in interest. In the event of a part transfer of an
 241 employer's organization, trade, assets or business, only that portion of the
 242 employment experience relating to the portion of the organization, trade,
 243 assets or business transferred shall be transferred, and credit shall be given
 244 to the successor in interest only for the years during which contributions were
 245 paid by the predecessor employer with respect to that part of the organiza-
 246 tion, trade, assets or business transferred. A transfer of the employment
 247 experience in whole or in part having been applied for and approved by
 248 the Division of Employment Security, the predecessor employer thereafter
 249 shall not be entitled to consideration for an adjusted rate based upon his or
 250 its experience or the part thereof, as the case may be, which has thus been
 251 transferred. A successor in interest to whom employment experience or a
 252 part thereof is transferred pursuant to this subsection shall, as of the date
 253 of the transfer of the organization, trade, assets or business, or part thereof,
 254 immediately become an employer if not theretofore an employer subject to
 254A this chapter.

255 (d) Contribution of workers; transfer to temporary disability benefit
 256 fund.

257 (1) Each worker shall contribute to the fund one per centum (1%) of
 258 his wages paid by an employer with respect to his employment which occurs
 259 after December thirty-first, one thousand nine hundred and thirty-seven, and
 260 after such employer has satisfied the conditions set forth in subsection (h)
 261 of section 43:21-19 of this Title with respect to becoming an employer; *pro-*
 262 *vided, however*, that such contribution shall be at the rate of one-fourth of
 263 one per centum ($\frac{1}{4}$ of 1%) of wages paid with respect to employment on
 264 and after January first, one thousand nine hundred and forty-nine, while
 265 the worker is covered by an approved private plan under the Temporary
 266 Disability Benefits Law or while the worker is exempt from the provisions
 267 of the Temporary Disability Benefits Law under section seven of that law.
 268 Each employer shall, notwithstanding any provisions of the law in this State
 269 to the contrary, withhold in trust the amount of his workers' contributions

270 from their wages at the time such wages are paid, shall show such deduc-
271 tion of his payroll records, shall furnish such evidence thereof to his workers
272 as the division may prescribe, and shall transmit all such contributions, in
273 addition to his own contributions, to the office of the Division of Employment
274 Security in such manner and at such times as may be prescribed. If any
275 employer fails to deduct the contributions of any of his workers at the time
276 their wages are paid, or fails to make a deduction therefor at the time wages
277 are paid for the next succeeding payroll period, he alone shall thereafter be
278 liable for such contributions, and for the purposes of section 43:21-14 of this
279 Title, such contributions shall be treated as employer's contributions required
280 from him. As used in this chapter, except when the context clearly requires
281 otherwise, the term "contributions" shall include the contributions of
282 workers pursuant to this section.

283 (2) There shall be deposited in and credited to the State disability bene-
284 fits fund, as the same shall be established by law, three-quarters of all worker
285 contributions, received by the Division of Employment Security pursuant to
286 subparagraph (1) above on and after April first, one thousand nine hun-
287 dred and forty-eight or the date this subparagraph takes effect, whichever
288 is later, with respect to wages upon which the rate of contributions is one
289 per centum (1%) as provided in (1) above.

290 (3) If an individual does not receive any wages from the employing
291 unit which for the purposes of this chapter is treated as his employer, or re-
292 ceives his wages from some other employing unit, such employer shall never-
293 theless be liable for such individual's contributions in the first instance; and
294 after payment thereof such employer may deduct the amount of such con-
295 tributions from any sums payable by him to such employing unit, or may
296 recover the amount of such contributions from such employing unit or in the
297 absence of such an employing unit, from such individual, in a civil action
298 for debt; *provided*, proceedings therefor are instituted within three months
299 after the date on which such contributions are payable. General rules shall
300 be prescribed whereby such an employing unit may recover the amount of

301 such contributions from such individuals in the same manner as if it were
302 the employer.

303 (4) Every employer who has elected to become an employer subject to
304 this chapter or to cease to be an employer subject to this chapter, pursuant
305 to the provisions of section 43:21-8 of this Title, shall post and maintain
306 printed notices of such election on his premises, of such design, in such num-
307 bers, and at such places as the director may determine to be necessary to
308 give notice thereof to persons in his service.

309 (5) Contributions by workers, payable to the Division of Employment
310 Security as herein provided, shall be exempt from garnishment, attachment,
311 execution, or any other remedy for the collection of debts.

312 (e) Contributions by employers to State disability benefits fund.

313 (1) Except as hereinafter provided, each employer shall, in addition to
314 the contributions required by subsections (a), (b), and (c) of this section,
315 contribute one-quarter of one per centum ($\frac{1}{4}$ of 1%) of the wages paid by
316 such employer to workers with respect to employment after January first,
317 one thousand nine hundred and forty-nine. Such contributions shall become
318 due and be paid by each employer to the Division of Employment Security
319 for the State disability benefits fund as established by law, in accordance
320 with such regulations as may be prescribed, and shall not be deducted, in
321 whole or in part, from the remuneration of individuals in his employ. In the
322 payment of any contributions, a fractional part of a cent shall be disre-
323 garded unless it amounts to one-half cent (\$0.005) or more, in which case
324 it shall be increased to one cent (\$0.01).

325 (2) During the continuance of coverage of a worker by an approved
326 private plan of disability benefits under the Temporary Disability Benefits
327 Law, the employer shall be exempt from the contribution required by sub-
328 paragraph (1) above with respect to wages paid to such worker.

329 (3) (A) The rates of contribution as specified in subparagraph (1)
330 above shall be subject to modification as provided herein with respect to
331 employer contributions due on and after July first, one thousand nine hun-
332 dred and fifty-one.

333 (B) A separate disability benefits account shall be maintained for each
334 employer required to contribute to the State disability benefits fund and such
335 account shall be credited with contributions deposited in and credited to such
336 fund with respect to employment occurring on and after January first, one
337 thousand nine hundred and forty-nine. Each employer's account shall be
338 credited with all contributions paid on or before January thirty-first of any
339 calendar year on his own behalf and on behalf of individuals in his service
340 with respect to employment occurring in preceding calendar years. But
341 nothing in this act shall be construed to grant any employer or individuals
342 in his service prior claims or rights to the amounts paid by him to the fund
343 either on his own behalf or on behalf of such individuals. Benefits paid to
344 any covered individual in accordance with Article III of the Temporary Dis-
345 ability Benefits Law on or before January thirty-first of any calendar year
346 with respect to disability in preceding calendar years shall be charged
347 against the account of the employer by whom such individual was employed
348 at the commencement of such disability or by whom he was last employed if
349 out of employment.

350 (C) The division may prescribe regulations for the establishment,
351 maintenance, and dissolution of joint accounts by two or more employers,
352 and shall, in accordance with such regulations and upon application by two
353 or more employers to establish such an account, or to merge their several
354 individual accounts in a joint account, maintain such joint account as if it
355 constituted a single employer's account.

356 (D) Prior to July first of each calendar year, the Division of Employ-
357 ment Security shall make a preliminary determination of the rate of contri-
358 bution for the twelve months commencing on such July first for each em-
359 ployer subject to the contribution requirements of this subsection (e).

360 (1) Such preliminary rate shall be one-quarter of one per centum ($\frac{1}{4}$ of
361 1%) unless on the preceding December thirty-first such employer shall have
362 been a covered employer for at least two full years and his account shall
363 have been credited with at least fifteen hundred dollars (\$1,500.00) of em-
364 ployer and employee contributions.

365 (2) If the minimum requirements in (1) above have been fulfilled and
 366 the credited contributions exceed the benefits charged by more than five hun-
 367 dred dollars (\$500.00), such preliminary rate shall be as follows:

368 (i) Two-tenths of one per centum ($2/10$ of 1%) if such excess over
 369 five hundred dollars (\$500.00) exceeds one per centum (1%) but is less
 370 than one and one-quarter per centum ($1\frac{1}{4}\%$) of his average annual pay-
 371 roll (as defined in this chapter);

372 (ii) Fifteen one hundredths of one per centum ($15/100$ of 1%) if
 373 such excess over five hundred dollars (\$500.00) equals or exceeds one
 374 and one-quarter per centum ($1\frac{1}{4}\%$) but is less than one and one-half per
 375 centum ($1\frac{1}{2}\%$) of his average annual payroll;

376 (iii) One-tenth of one per centum ($1/10$ of 1%) if such excess over
 377 five hundred dollars (\$500.00) equals or exceeds one and one-half per
 378 centum ($1\frac{1}{2}\%$) of his average annual payroll.

379 (3) If the minimum requirements in (1) above have been fulfilled and the
 380 contributions credited exceed the benefits charged but by not more than five
 381 hundred dollars (\$500.00) plus one per centum (1%) of his average annual
 382 payroll, or if the benefits charged exceed the contributions credited but by not
 383 more than five hundred dollars (\$500.00), the preliminary rate shall be one-
 384 quarter of one per centum ($\frac{1}{4}$ of 1%).

385 (4) If the minimum requirements in (1) above have been fulfilled and
 386 the benefits charged exceed the contributions credited by more than five hun-
 387 dred dollars (\$500.00), such preliminary rate shall be as follows:

388 (i) Thirty-five one hundredths of one per centum ($35/100$ of 1%) if
 389 such excess over five hundred dollars (\$500.00) is less than one-quarter
 390 of one per centum ($\frac{1}{4}$ of 1%) of his average annual payroll;

391 (ii) Forty-five one hundredths of one per centum ($45/100$ of 1%) if
 392 such excess over five hundred dollars (\$500.00) equals or exceeds one-
 393 quarter of one per centum ($\frac{1}{4}$ of 1%) but is less than one-half of one
 394 per centum ($\frac{1}{2}$ of 1%) of his average annual payroll;

395 (iii) Fifty-five one hundredths of one per centum ($55/100$ of 1%) if

396 such excess over five hundred dollars (\$500.00) equals or exceeds one-
 397 half of one per centum ($\frac{1}{2}$ of 1%) but is less than three-quarters of one
 398 per centum ($\frac{3}{4}$ of 1%) of his average annual payroll;

399 (iv) Sixty-five one hundredths of one per centum (65/100 of 1%) if
 400 such excess over five hundred dollars (\$500.00) equals or exceeds three-
 401 quarters of one per centum ($\frac{3}{4}$ of 1%) but is less than one per centum
 402 (1%) of his average annual payroll;

403 (v) Seventy-five one hundredths of one per centum (75/100 of 1%)
 404 if such excess over five hundred dollars (\$500.00) equals or exceeds one
 405 per centum (1%) of his average annual payroll.

406 (5) Determination of the preliminary rates as specified in (2), (3) and
 407 (4) above shall be subject, however, to the condition that it shall in no event
 408 be decreased by more than one-tenth of one per centum ($\frac{1}{10}$ of 1%) of
 409 wages or increased by more than two-tenths of one per centum ($\frac{2}{10}$ of 1%)
 410 of wages from the preliminary rate determined for the preceding year in
 411 accordance with (1), (2), (3) or (4), whichever shall have been applicable.

412 (E) (1) Prior to July first of each calendar year the Division of Employ-
 413 ment Security shall determine the amount of the State disability benefits fund
 414 as of December thirty-first of the preceding calendar year increased by the con-
 415 tributions paid thereto during January of the current calendar year with re-
 416 spect to employment occurring in preceding calendar years and decreased by
 417 the benefits paid during January of the current calendar year with respect to
 418 disability in preceding calendar years. If such amount exceeds the total of the
 419 amounts withdrawn from the unemployment trust fund pursuant to section
 420 twenty-three of the Temporary Disability Benefits Law plus the amount at the
 421 end of such preceding calendar year of the unemployment disability account
 422 (as defined in section twenty-two of said law), such excess shall be expressed
 423 as a percentage of the wages on which contributions were paid to the State dis-
 424 ability benefits fund on or before January thirty-first with respect to
 425 employment in the preceding calendar year.

426 (2) The Division of Employment Security shall then make a final deter-
 427 mination of the rates of contribution for the twelve months commencing
 428 July first of such year for employers whose preliminary rates are deter-
 429 mined as provided in (D) hereof, as follows:

430 (i) If the percentage determined in accordance with paragraph (1)
 431 of this subsection equals or exceeds one and one-quarter per centum
 432 ($1\frac{1}{4}\%$) the final employer rates shall be the preliminary rates deter-
 433 mined as provided in (D) hereof, except that if the employer's prelimi-
 434 nary rate is determined as provided in (D) (2) or (D) (3) hereof, the
 435 final employer rate shall be the preliminary employer rate decreased by
 436 such percentage of excess taken to the nearest five one hundredths of
 437 one per centum ($5/100$ of 1%), but in no case shall such final rate be less
 438 than one-tenth of one per centum ($1/10$ of 1%).

439 (ii) If the percentage determined in accordance with paragraph (1)
 440 of this subsection equals or exceeds three-quarters of one per centum
 441 ($\frac{3}{4}$ of 1%) and is less than one and one-quarter of one per centum ($1\frac{1}{4}$
 442 of 1%), the final employer rates shall be the preliminary employer rates.

443 (iii) If the percentage determined in accordance with paragraph
 444 (1) of this subsection is less than three-quarters of one per centum
 445 ($\frac{3}{4}$ of 1%), the final employer rates shall be the preliminary em-
 446 ployer rates determined as provided in (D) hereof increased by the
 447 difference between three-quarters of one per centum ($\frac{3}{4}$ of 1%) and
 448 such percentage taken to the nearest five one hundredths of one per
 449 centum ($5/100$ of 1%); *provided, however*, that no such final rate shall
 450 be more than one-quarter of one per centum ($\frac{1}{4}$ of 1%) in the case of
 451 an employer whose preliminary rate is determined as provided in (D)
 452 (2) hereof, more than one-half of one per centum ($\frac{1}{2}$ of 1%) in the
 453 case of an employer whose preliminary rate is determined as pro-
 454 vided in (D) (1) and (D) (3) hereof, nor more than three-quarters
 455 of one per centum ($\frac{3}{4}$ of 1%) in the case of an employer whose pre-
 456 liminary rate is determined as provided in (D) (4) hereof.

457 (iv) If the amount of the State disability benefits fund determined
 458 as provided in paragraph (1) of this subsection is equal to or less than
 459 the total of the amounts withdrawn from the unemployment trust
 460 fund pursuant to section twenty-three of the Temporary Disability
 461 Benefits Law plus the amount at the end of the preceding calendar year
 462 of the unemployment disability account, then the final rate shall be
 463 three-quarters of one per centum ($\frac{3}{4}$ of 1%) for all employers.

1 5. This act shall take effect July first, one thousand nine hundred and
 2 fifty, but shall apply only to benefit years commencing on and after that date.

STATEMENT

The purpose of this bill is to carry out the policy of Governor Driscoll's second Inaugural Message to the Legislature to increase unemployment compensation benefits to an adequate level under current economic conditions. The bill would increase maximum benefits from the present twenty-two dollars (\$22.00) for twenty-six weeks to a maximum of twenty-eight dollars (\$28.00) for twenty-six weeks. In order for a claimant to be eligible for the new maximum benefits he must have earned at least six hundred and sixteen dollars (\$616.00) in the high quarter of his base year and two thousand, one hundred and eighty-four dollars (\$2,184.00) in his entire base year.

In recognition of the difficulty in administering this justifiably higher level of benefits, the bill would disqualify anyone voluntarily leaving work without good cause until he had again become employed and earned at least four times his weekly benefit rate. Decentralized administration and simpler and more effective fraud penalties are provided in another bill.

The bill also contains a few technical amendments to better conform the law
 to the Temporary Disability Benefits Law. ||

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STATE OF NEW JERSEY

ADOPTED MARCH 30, 1950

AN ACT concerning unemployment compensation, and amending sections 43:21-3,
43:21-4, 43:21-5 and 43:21-7 of the Revised Statutes.

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

1 1. Section 43:21-3 of the Revised Statutes is amended to read as fol-
2 lows:

3 43:21-3. (a) Payment of benefits. Twenty-five months after the date
4 when contributions first accrue under this chapter, benefits shall become pay-
5 able from the fund; *provided*, that remuneration or services with respect to
6 which unemployment compensation is payable under the Railroad Unemploy-
7 ment Insurance Act (52 Stat. 1094), irrespective of when performed, shall
8 not be included for purposes of determining eligibility under subsection (e)
9 of section 43:21-4 of this chapter or the weekly benefit rate under subsec-
10 tion (c) of this section for the purpose of any benefit year commencing on
11 or after July first, one thousand nine hundred and thirty-nine, nor shall any
12 benefits with respect to unemployment occurring on and after July first, one
13 thousand nine hundred and thirty-nine, be payable under subsection (d) of
14 this section on the basis of such remuneration. All benefits shall be paid
15 through employment offices, or such other agencies as may be designated in
16 accordance with such regulations as may be prescribed hereunder.

17 (b) Weekly benefits for unemployment. Each eligible individual who is
18 unemployed (as defined in subsection (m) of section 43:21-19 of this chap-
19 ter) in any week shall be paid with respect to such week (except as to final
20 payment) an amount equal to his weekly benefit rate less any remuneration

21 in excess of three dollars (\$3.00) paid or payable to him for such week;
 22 *provided*, that such amount shall be computed to the next highest multiple of
 23 one dollar (\$1.00), if not already a multiple thereof.

24 (c) Weekly benefit rate. An individual's weekly rate shall be one-
 25 twenty-second of his total wages in that calendar quarter in which said total
 26 wages were highest during his base year; *provided*, that such rate shall be
 27 computed to the next highest multiple of one dollar (\$1.00) if not already a
 28 multiple thereof, and shall not be more than twenty-eight dollars (\$28.00)
 29 nor less than ten dollars (\$10.00).

30 (d) Maximum total benefits. The maximum total amount of benefits
 31 payable to any eligible individual under either of subsections (c) and (f) of
 32 section 43:21-4 of this Title during any benefit year shall be either one-third
 33 of his total wages during his base year, computed to the next highest multiple
 34 of one dollar (\$1.00), if not already a multiple thereof, or twenty-six times
 35 his weekly benefit rate, whichever is the lesser; in no event, however, are
 36 such total benefits under either of said subsections (c) and (f) to be less than
 37 ten times his weekly benefit rate. In the event that an individual qualified
 38 for benefits under both of said subsections during any benefit year, the
 39 maximum total amount of benefits payable under said subsections combined
 40 to such individual during the benefit year shall be one and one-half times the
 41 maximum amount of benefits payable under one of said subsections.

1 2. Section 43:21-4 of the Revised Statutes is amended to read as follows:

2 43:21-4. An individual, totally or partially unemployed, shall be eligible
 3 to receive benefits with respect to any week only if it appears that:

4 (a) He has registered for work at, and thereafter continued to report
 5 at, an employment office in accordance with such regulations as the commis-
 6 sion may prescribe, except that the commission may, by regulation, waive or
 7 alter either or both of the requirements of this subsection as to individuals
 8 attached to regular jobs, and as to such other types of cases or situations with
 9 respect to which the commission finds that compliance with such require-
 10 ments would be oppressive, or would be inconsistent with the purpose of this

11 act; *provided*, that no such regulation shall conflict with subsection (a) of
12 section 43:21-3 of the Revised Statutes.

13 (b) He has made a claim for benefits in accordance with the provisions
14 of subsection (a) of section 43:21-6 of this Title.

15 (c) He is able to work, is available for work, and has demonstrated that
16 he is actively seeking work, except as provided in subsection (f) of this
17 section;

18 (d) Prior to the first week for which he claims benefits in any benefit
19 year he has been totally or partially unemployed for a waiting period of one
20 week in that benefit year. No week shall be counted as a week of unemploy-
21 ment for the purposes of this subsection:

22 (1) if benefits have been paid, or are payable with respect thereto;

23 (2) if it has constituted a waiting period week under the Temporary
24 Disability Benefits Law;

25 (3) unless the individual fulfills the requirements of subsections (a) and
26 (c) of this section.

27 (e) His wages within his base year were not less than thirty times his
28 weekly benefit amount.

29-33 (f) He has suffered any accident or sickness not compensable under the
34 workmen's compensation law (Title 34 of the Revised Statutes) and resulting
35 in his total disability to perform any work for remuneration, and would be
36 eligible to receive benefits under this chapter (without regard to the maxi-
37 mum amount of benefits payable during any benefit year) except for his
38 inability to work and has furnished notice and proof of claim to the commis-
39 sion, in accordance with its rules and regulations, and payment is not pre-
40 cluded by the provisions of subsection (g) hereof or of section 43:21-3 (d)
41 of this Title. Such benefit payments shall be charged to and paid from the
42 State disability benefits fund established by the Temporary Disability
43 Benefits Law, and shall not be charged to any employer account in comput-
44 ing any employer's experience rate for contributions payable under this
45 chapter.

46 (g) No benefits shall be payable under subsection (f) above to any
47 individual:

48 (1) for any period during which such individual is not under the care
49 of a legally licensed physician;

50 (2) for any period of disability due to pregnancy or resulting child-
51 birth, miscarriage, or abortion;

52 (3) for any period of disability due to willfully or intentionally self-
53 inflicted injury, or to injuries sustained in the perpetration by the individual
54 of a high misdemeanor;

55 (4) for any week with respect to which or a part of which he has
56 received or is seeking unemployment benefits under any unemployment
57 compensation or disability benefit law of any other State or of the United
58 States; *provided*, that if the appropriate agency of such other State or of the
59 United States finally determines that he is not entitled to such benefits, this
60 disqualification shall not apply;

61 (5) for the two weeks immediately following detachment from any
62 maritime services performed under shipping articles;

63 (6) for any week with respect to which or part of which he has received
64 or is seeking disability benefits under the Temporary Disability Benefits Law;

65 (7) for any period of disability commencing prior to January first, one
66 thousand nine hundred and forty-nine, or for any period of disability com-
67 mencing while such individual is a "covered individual" as defined in sub-
68 section three (b) of the Temporary Disability Benefits Law (chapter 110,
69 P. L. 1948), or after the expiration of twenty-six consecutive weeks during
70 which the individual has been unemployed and ineligible or disqualified for
71 benefits for such unemployment.

72 (h) Notwithstanding any other provision of this chapter, the director
73 may, to the extent that he deems efficient and economical, provide for con-
74 solidated administration by one or more representatives or deputies of claims
75 made pursuant to subsection (f) of this section with those made pursuant to
76 article III (State plan) of the Temporary Disability Benefits Law.

1 3. Section 43:21-5 of the Revised Statutes is amended to read as follows:

2 43:21-5. An individual shall be disqualified for benefits:

3 (a) For the week in which he has left work voluntarily without good
4 cause, and for each week thereafter until he has earned in employment at
5 least four times his weekly benefit rate, as determined in each case.

6 (b) For the week in which he has been discharged for misconduct con-
7 nected with his work, and for the five weeks which immediately follow such
8 week (in addition to the waiting period), as determined in each case.

9 (c) If it is found that he has failed, without good cause, either to apply
10 for available, suitable work when so directed by the employment office or the
11 director or to accept suitable work when offered him, or to return to his cus-
12 tomary self-employment (if any) when so directed by the director. Such dis-
13 qualification shall continue for the week in which such failure occurred and
14 for the three weeks which immediately follow such week (in addition to the
15-18 waiting period), as determined:

19 (1) In determining whether or not any work is suitable for an
20 individual, consideration shall be given to the degree of risk involved to
21 his health, safety and morals, his physical fitness and prior training, his
22 experience and prior earnings, his length of unemployment and prospects
23 for securing local work in his customary occupation, and the distance of
24 the available work from his residence.

25 (2) Notwithstanding any other provisions of this chapter, no work
26 shall be deemed suitable and benefits shall not be denied under this chap-
27 ter to any otherwise eligible individual for refusing to accept new work
28 under any of the following conditions: (a) If the position offered is
29 vacant due directly to a strike, lockout, or other labor dispute; (b) if
30 the remuneration, hours, or other conditions of the work offered are sub-
31 stantially less favorable to the individual than those prevailing for
32 similar work in the locality; (c) if as a condition of being employed the
33 individual would be required to join a company union or to resign from
34 or refrain from joining any bona fide labor organization.

35 (d) For any week with respect to which it is found that his unem-
 36 ployment is due to a stoppage of work which exists because of a labor
 37 dispute at the factory, establishment, or other premises at which he is or was
 38 last employed; *provided*, that this subsection shall not apply if it is shown
 39 that:

40 (1) He is not participating in or financing or directly interested in
 41 the labor dispute which caused the stoppage of work; and

42 (2) He does not belong to a grade or class of workers of which,
 43 immediately before the commencement of the stoppage, there were mem-
 44 bers employed at the premises at which the stoppage occurs, any of
 45 whom are participating in or financing or directly interested in the dis-
 46 pute; *provided*, that if in any case in which (1) or (2) above applies
 47 separate branches of work which are commonly conducted as separate
 48 businesses in separate premises are conducted in separate departments
 49 of the same premises, each such department shall, for the purposes of
 50 this subsection, be deemed to be a separate factory, establishment, or
 51 other premises.

52 (e) For any week with respect to which he is receiving or has received
 53 remuneration in lieu of notice.

54 (f) For any week with respect to which or a part of which he has
 55 received or is seeking unemployment benefits under an unemployment com-
 56 pensation law of any other State or of the United States; *provided*, that if
 57 the appropriate agency of such other State or of the United States finally
 58 determines that he is not entitled to such unemployment benefits, this dis-
 59 qualification shall not apply.

60 (g) For the two weeks immediately following detachment from any
 61 maritime services performed under shipping articles.

1 4. Section 43:21-7 of the Revised Statutes is amended to read as follows:

2 43:21-7. (a) Payment.

3 (1) On and after December first, one thousand nine hundred and thirty-
 4 six, contributions shall accrue and become payable by each employer for each

5 calendar year in which he is subject to this chapter, with respect to having
 6 individuals in his employ during such calendar year at the rates and on the
 7 basis hereinafter set forth, except that for the month of December, one thou-
 8 sand nine hundred and thirty-six, such contributions shall accrue and become
 9 payable with respect to having individuals in his employ during the month
 10 of December, one thousand nine hundred and thirty-six. Such contributions
 11 shall become due and be paid by each employer to the Division of Employ-
 12 ment Security for the fund in accordance with such regulations as may be
 13 prescribed, and shall not be deducted, in whole or in part, from the
 14 remuneration of individuals in his employ.

15 (2) In the payment of any contributions, a fractional part of a cent shall
 16 be disregarded unless it amounts to one-half cent (\$0.005) or more, in which
 17 case it shall be increased to one cent (\$0.01).

18 (b) Rate of contributions. Each employer shall pay the following con-
 19 tributions:

20 (1) Ten and eight-tenths per centum (10 8/10%) of wages payable with
 21 respect to employment during the month of December, one thousand nine
 22 hundred and thirty-six and paid prior to January first, one thousand nine
 23 hundred and forty-seven; *provided*, that if the total of such contributions at
 24 such ten and eight-tenths per centum (10 8/10%) rate equals less than nine-
 25 tenths of one per centum (9/10 of 1%) of the annual payroll of any
 26 employer payable for the calendar year one thousand nine hundred and
 27 thirty-six, such employer shall pay, not later than January twenty-fifth, one
 28 thousand nine hundred and thirty-seven, an additional lump-sum contribution
 29 with respect to employment for such one month's period beginning Decem-
 30 ber first, one thousand nine hundred and thirty-six, equal to the difference
 31 between nine-tenths of one per centum (9/10 of 1%) of his annual payroll
 32 payable for the calendar year one thousand nine hundred and thirty-six and
 33 the total of his contributions at such ten and eight-tenths per centum
 34 (10 8/10%) for such one month's period beginning December first, one thou-
 35 sand nine hundred and thirty-six; *and provided further*, that the total of

36 such contributions with respect to employment for such one month's period
37 beginning December first, one thousand nine hundred and thirty-six, shall
38 not exceed nine-tenths of one per centum ($9/10$ of 1%) of such employer's
39 annual payroll payable for the calendar year one thousand nine hundred and
40 thirty-six.

41 (2) One and eight-tenths per centum ($1\frac{8}{10}\%$) of wages payable with
42 respect to employment during the calendar year one thousand nine hundred
43 and thirty-seven and paid prior to January first, one thousand nine hundred
44 and forty-seven;

45 (3) Two and seven-tenths per centum ($2\frac{7}{10}\%$) of wages payable with
46 respect to employment during the calendar years one thousand nine hundred
47 and thirty-eight, one thousand nine hundred and thirty-nine, one thousand
48 nine hundred and forty and one thousand nine hundred and forty-one and
49 paid prior to January first, one thousand nine hundred and forty-seven; and,
50 except as otherwise prescribed by subsection (c) of this section, also during
51 the calendar years one thousand nine hundred and forty-two to one thousand
52 nine hundred and forty-six, inclusive, and paid prior to January first, one
53 thousand nine hundred and forty-seven; and

54 (4) For the calendar year one thousand nine hundred and forty-seven,
55 and each calendar year thereafter, two and seven-tenths per centum
56 ($2\frac{7}{10}\%$) of wages paid by him during each such calendar year, except as
57 otherwise prescribed by subsection (c) of this section.

58 (5) The "wages" of any individual, with respect to any one employer
59 as the term is used in this subsection (b) and in subsections (c), (d) and
60 (e) of this section seven, shall include:

61 (A) All remuneration payable for the month of December, one
62 thousand nine hundred and thirty-six, and for the calendar years one
63 thousand nine hundred and thirty-seven, one thousand nine hundred and
64 thirty-eight, one thousand nine hundred and thirty-nine, and paid prior
65 to January first, one thousand nine hundred and forty-seven;

66 (B) The first three thousand dollars (\$3,000.00) earned for each of
 67 the calendar years one thousand nine hundred and forty to one thou-
 68 sand nine hundred and forty-six, inclusive, and paid prior to January
 69 first, one thousand nine hundred and forty-seven; and

70 (C) The first three thousand dollars (\$3,000.00) paid during the
 71 calendar year one thousand nine hundred and forty-seven and during
 72 each calendar year thereafter, for services either within or without this
 73 State; *provided*, that no contribution shall be required by this State with
 74 respect to services performed in another State if such other State im-
 75 poses contribution liability with respect thereto.

76 (c) Future rates based on benefit experience: (1) A separate account
 77 for each employer shall be maintained and this shall be credited with all the
 78 contributions which he has paid on his own behalf on or before January
 79 thirty-first of any calendar year with respect to employment occurring in
 80 preceding calendar years. But nothing in this chapter shall be construed to
 81 grant any employer or individuals in his service prior claims or rights to
 82 the amounts paid by him into the fund either on his own behalf or on behalf
 83 of such individuals. Benefits paid to any individual on or before January
 84 thirty-first of any calendar year with respect to unemployment in preceding
 85 calendar years shall be charged against the account of each of the employers
 86 with whom such individual accrued the wage credits constituting the basis
 87 of such benefits, in the same proportion as such wage credits with each such
 88 employer bear to such wage credits with all such employers. The Division
 89 of Employment Security shall furnish to each employer at such frequency
 90 as the division shall, by regulation, prescribe, but in no case less frequently
 91 than annually, a detailed statement of benefits charged to his account.

92 (2) The Division of Employment Security may prescribe regulations
 93 for the establishment, maintenance, and dissolution of joint accounts by two
 94 or more employers, and shall, in accordance with such regulations and upon
 95 application by two or more employers to establish such an account, or to
 96 merge their several individual accounts in a joint account, maintain such
 97-115 joint account as if it constituted a single employer's account.

116 (3) Each employer's rate shall be two and seven-tenths per centum
117 ($2\frac{7}{10}\%$), except as otherwise provided in the following provisions: No
118 employer's rate shall be other than two and seven-tenths per centum
119 ($2\frac{7}{10}\%$) unless and until there shall have been three calendar years
120 throughout which any individual in his employ could have received benefits
121 if eligible.

122 (4) Each employer's rate for the twelve months commencing July first
123 of any calendar year shall be determined on the basis of his record up to the
124 beginning of such calendar year. If, at the beginning of such calendar year,
125 the total of all his contributions, paid on his own behalf, for all past years
126 exceeds the total benefits charged to his account for all such years, his con-
127 tribution rate shall be:

128 (A) Two and four-tenths per centum ($2\frac{4}{10}\%$), if such excess
129 equals or exceeds four per centum (4%), but is less than five per centum
130 (5%) of his average annual payroll (as defined in paragraph (2), sub-
131 section (a) of section 43:21-19 of this Title);

132 (B) Two and one-tenth per centum ($2\frac{1}{10}\%$), if such excess equals
133 or exceeds five per centum (5%), but is less than six per centum (6%)
134 of his average annual payroll;

135 (C) One and eight-tenths per centum ($1\frac{8}{10}\%$), if such excess
136 equals or exceeds six per centum (6%), but is less than seven per centum
137 (7%) of his average annual payroll;

138 (D) One and five-tenths per centum ($1\frac{5}{10}\%$), if such excess
139 equals or exceeds seven per centum (7%), but is less than eight per
140 centum (8%) of his average annual payroll;

141 (E) One and two-tenths per centum ($1\frac{2}{10}\%$), if such excess
142 equals or exceeds eight per centum (8%), but is less than nine per
143 centum (9%), of his average annual payroll;

144 (F) Nine-tenths of one per centum ($\frac{9}{10}$ of 1%), if such excess
145 equals or exceeds nine per centum (9%), but is less than ten per centum
146 (10%), of his average annual payroll;

147 (G) Six-tenths of one per centum ($6/10$ of 1%), if such excess
148 equals or exceeds ten per centum (10%), but is less than eleven per
149 centum (11%), of his average annual payroll;

150 (H) Three-tenths of one per centum ($3/10$ of 1%), if such excess
151 equals or exceeds eleven per centum (11%) of his average annual pay-
152 roll.

153 If the total of his contributions, paid on his own behalf, for all past
154 periods, or for the past one hundred twenty consecutive calendar months,
155 whichever period is more advantageous to such employer for the purposes
156 of this paragraph, is less than the total benefits charged against his account
157 during the same period, his rate shall be three per centum (3%).

158 (5) (A) If on March thirty-first of any calendar year the balance in
159 the Unemployment Trust Fund equals or exceeds four per centum (4%) but is
160 less than seven per centum (7%) of the total taxable wages reported to the
161 division as of that date in respect to employment during the preceding
162 calendar year, the contribution rate, effective July first following, of each
163 employer eligible for a contribution rate calculation based upon benefit expe-
164 rience, shall be increased by three-tenths of one per centum ($3/10$ of 1%)
165 over the contribution rate otherwise established under the provisions of para-
166 graph (4) of this subsection. If on March thirty-first of any calendar year
167 the balance of the Unemployment Trust Fund is less than four per centum
168 (4%) of the total taxable wages reported to the Division of Employment
169 Security as of that date in respect to employment during the preceding
170 calendar year, the contribution rate, effective July first following, of each
171 employer eligible for a contribution rate calculation based upon benefit
172 experience, shall be increased by six-tenths of one per centum ($6/10$ of 1%)
173 over the contribution rate otherwise established under the provisions of
174 paragraph (4) of this subsection; *provided*, that if on such March thirty-
175 first, such balance is less than two and one-half per centum ($2\frac{1}{2}\%$) of such
176 total taxable wages, the contribution rate so effective, of any employer, shall
177 be not less than two and seven-tenths per centum ($2\frac{7}{10}\%$); *provided*

178 *further*, that the contribution rate of any employer increased pursuant to
 179 the provisions of this subparagraph, when so increased, shall not exceed
 180 three and six-tenths per centum ($3\frac{6}{10}\%$).

181 (B) If on March thirty-first of any calendar year the balance in the
 182 Unemployment Trust Fund equals or exceeds ten per centum (10%) but is
 183 less than twelve and one-half per centum ($12\frac{1}{2}\%$) of the total taxable wages
 184 reported to the Division of Employment Security as of that date in respect
 185 to employment during the preceding calendar year, the contribution rate,
 186 effective July first following, of each employer eligible for a contribution
 187 rate calculation based upon benefit experience, shall be reduced by three-
 188 tenths of one per centum ($\frac{3}{10}$ of 1%) under the contribution rate other-
 189 wise established under the provisions of paragraphs (3) and (4) of this
 190 subsection; *provided*, that in no event shall the contribution rate of any
 191 employer be reduced to less than three-tenths of one per centum ($\frac{3}{10}$ of
 192 1%). If on March thirty-first of any calendar year the balance in the Unem-
 193 ployment Trust Fund equals or exceeds twelve and one-half per centum
 194 ($12\frac{1}{2}\%$) of the total taxable wages reported to the division as of that date
 195 in respect to employment during the preceding calendar year, the contribu-
 196 tion rate, effective July first following, of each employer eligible for a
 197 contribution rate calculation based upon benefit experience, shall be reduced
 198 by six-tenths of one per centum ($\frac{6}{10}$ of 1%) if his account reflects an excess
 199 of contributions paid over total benefits charged of three per centum (3%)
 200 or more of his average annual payroll, otherwise by three-tenths of one per
 201 centum ($\frac{3}{10}$ of 1%) under the contribution rate otherwise established
 202 under the provisions of paragraphs (3) and (4) of this subsection; *provided*,
 203 that in no event shall the contribution rate of any employer be reduced to
 204 less than three-tenths of one per centum ($\frac{3}{10}$ of 1%).

205 (6) Additional contributions.

206 Notwithstanding any other provision of law, any employer who has been
 207 assigned a contribution rate pursuant to subsection (c) of this section for
 208 the year commencing July first, one thousand nine hundred and forty-eight,

209 and for any year commencing July first thereafter, may voluntarily make
210 payment of additional contributions, and upon such payment shall receive
211 a recomputation of the experience rate applicable to such employer in-
212 cluding in the calculation the additional contribution so made. Any such
213 additional contribution shall be made during the thirty-day period follow-
214 ing the date of the mailing to the employer of the notice of his contribution
215 rate as prescribed in this section, unless, for good cause, the time for pay-
216 ment has been extended by the director for not to exceed an additional
217 sixty days; *provided*, that in no event may such payments which are made
218 later than one hundred twenty days after the beginning of the year for
219 which such rates are effective be considered in determining the experience
220 rate for the year in which the payment is made. Any employer receiving
221 any extended period of time within which to make such additional payment
222 and failing to make such payment timely shall pay, in addition to the re-
223 quired amount of additional payment, a penalty of five per centum (5%)
224 thereof or five dollars (\$5.00), whichever is greater, not to exceed fifty dol-
225 lars (\$50.00). Any adjustment under this subsection shall be made only in
226 the form of credits against accrued or future contributions.

227 (7) Transfers.

228 An employer who transfers his or its organization, trade, assets or
229 business, in whole or in part, to a successor in interest, whether by merger,
230 consolidation, sale, transfer, descent or otherwise, may jointly make applica-
231 tion with such successor in interest for transfer of the employment experi-
232 ence of the predecessor employer to the successor in interest, including
233 credit for past years, contributions paid, annual payrolls, benefit charges,
234 et cetera, applicable to such predecessor employer. The Division of Employ-
235 ment Security may allow such transfer of employment experience pursuant
236 to regulations adopted by the division, only if it finds that the employment
237 experience of the predecessor employer with respect to the organization,
238 trade, assets or business, or part thereof, as the case may be, which has been
239 transferred, may be considered indicative of the future employment experi-

240 ence of the successor in interest. In the event of a part transfer of an
 241 employer's organization, trade, assets or business, only that portion of the
 242 employment experience relating to the portion of the organization, trade,
 243 assets or business transferred shall be transferred, and credit shall be given
 244 to the successor in interest only for the years during which contributions were
 245 paid by the predecessor employer with respect to that part of the organiza-
 246 tion, trade, assets or business transferred. A transfer of the employment
 247 experience in whole or in part having been applied for and approved by
 248 the Division of Employment Security, the predecessor employer thereafter
 249 shall not be entitled to consideration for an adjusted rate based upon his or
 250 its experience or the part thereof, as the case may be, which has thus been
 251 transferred. A successor in interest to whom employment experience or a
 252 part thereof is transferred pursuant to this subsection shall, as of the date
 253 of the transfer of the organization, trade, assets or business, or part thereof,
 254 immediately become an employer if not theretofore an employer subject to
 254A this chapter.

255 (d) Contribution of workers; transfer to temporary disability benefit
 256 fund.

257 (1) Each worker shall contribute to the fund one per centum (1%) of
 258 his wages paid by an employer with respect to his employment which occurs
 259 after December thirty-first, one thousand nine hundred and thirty-seven, and
 260 after such employer has satisfied the conditions set forth in subsection (h)
 261 of section 43:21-19 of this Title with respect to becoming an employer; *pro-*
 262 *vided, however,* that such contribution shall be at the rate of one-fourth of
 263 one per centum ($\frac{1}{4}$ of 1%) of wages paid with respect to employment on
 264 and after January first, one thousand nine hundred and forty-nine, while
 265 the worker is covered by an approved private plan under the Temporary
 266 Disability Benefits Law or while the worker is exempt from the provisions
 267 of the Temporary Disability Benefits Law under section seven of that law.
 268 Each employer shall, notwithstanding any provisions of the law in this State
 269 to the contrary, withhold in trust the amount of his workers' contributions

270 from their wages at the time such wages are paid, shall show such deduc-
271 tion of his payroll records, shall furnish such evidence thereof to his workers
272 as the division may prescribe, and shall transmit all such contributions, in
273 addition to his own contributions, to the office of the Division of Employment
274 Security in such manner and at such times as may be prescribed. If any
275 employer fails to deduct the contributions of any of his workers at the time
276 their wages are paid, or fails to make a deduction therefor at the time wages
277 are paid for the next succeeding payroll period, he alone shall thereafter be
278 liable for such contributions, and for the purposes of section 43:21-14 of this
279 Title, such contributions shall be treated as employer's contributions required
280 from him. As used in this chapter, except when the context clearly requires
281 otherwise, the term "contributions" shall include the contributions of
282 workers pursuant to this section.

283 (2) There shall be deposited in and credited to the State disability bene-
284 fits fund, as the same shall be established by law, three-quarters of all worker
285 contributions, received by the Division of Employment Security pursuant to
286 subparagraph (1) above on and after April first, one thousand nine hun-
287 dred and forty-eight or the date this subparagraph takes effect, whichever
288 is later, with respect to wages upon which the rate of contributions is one
289 per centum (1%) as provided in (1) above.

290 (3) If an individual does not receive any wages from the employing
291 unit which for the purposes of this chapter is treated as his employer, or re-
292 ceives his wages from some other employing unit, such employer shall never-
293 theless be liable for such individual's contributions in the first instance; and
294 after payment thereof such employer may deduct the amount of such con-
295 tributions from any sums payable by him to such employing unit, or may
296 recover the amount of such contributions from such employing unit or in the
297 absence of such an employing unit, from such individual, in a civil action
298 for debt; *provided*, proceedings therefor are instituted within three months
299 after the date on which such contributions are payable. General rules shall
300 be prescribed whereby such an employing unit may recover the amount of

301 such contributions from such individuals in the same manner as if it were
302 the employer.

303 (4) Every employer who has elected to become an employer subject to
304 this chapter or to cease to be an employer subject to this chapter, pursuant
305 to the provisions of section 43:21-8 of this Title, shall post and maintain
306 printed notices of such election on his premises, of such design, in such num-
307 bers, and at such places as the director may determine to be necessary to
308 give notice thereof to persons in his service.

309 (5) Contributions by workers, payable to the Division of Employment
310 Security as herein provided, shall be exempt from garnishment, attachment,
311 execution, or any other remedy for the collection of debts.

312 (e) Contributions by employers to State disability benefits fund.

313 (1) Except as hereinafter provided, each employer shall, in addition to
314 the contributions required by subsections (a), (b), and (c) of this section,
315 contribute one-quarter of one per centum ($\frac{1}{4}$ of 1%) of the wages paid by
316 such employer to workers with respect to employment after January first,
317 one thousand nine hundred and forty-nine. Such contributions shall become
318 due and be paid by each employer to the Division of Employment Security
319 for the State disability benefits fund as established by law, in accordance
320 with such regulations as may be prescribed, and shall not be deducted, in
321 whole or in part, from the remuneration of individuals in his employ. In the
322 payment of any contributions, a fractional part of a cent shall be disre-
323 garded unless it amounts to one-half cent (\$0.005) or more, in which case
324 it shall be increased to one cent (\$0.01).

325 (2) During the continuance of coverage of a worker by an approved
326 private plan of disability benefits under the Temporary Disability Benefits
327 Law, the employer shall be exempt from the contribution required by sub-
328 paragraph (1) above with respect to wages paid to such worker.

329 (3) (A) The rates of contribution as specified in subparagraph (1)
330 above shall be subject to modification as provided herein with respect to
331 employer contributions due on and after July first, one thousand nine hun-
332 dred and fifty-one.

333 (B) A separate disability benefits account shall be maintained for each
 334 employer required to contribute to the State disability benefits fund and such
 335 account shall be credited with contributions deposited in and credited to such
 336 fund with respect to employment occurring on and after January first, one
 337 thousand nine hundred and forty-nine. Each employer's account shall be
 338 credited with all contributions paid on or before January thirty-first of any
 339 calendar year on his own behalf and on behalf of individuals in his service
 340 with respect to employment occurring in preceding calendar years. But
 341 nothing in this act shall be construed to grant any employer or individuals
 342 in his service prior claims or rights to the amounts paid by him to the fund
 343 either on his own behalf or on behalf of such individuals. Benefits paid to
 344 any covered individual in accordance with Article III of the Temporary Dis-
 345 ability Benefits Law on or before January thirty-first of any calendar year
 346 with respect to disability in preceding calendar years shall be charged
 347 against the account of the employer by whom such individual was employed
 348 at the commencement of such disability or by whom he was last employed if
 349 out of employment.

350 (C) The division may prescribe regulations for the establishment,
 351 maintenance, and dissolution of joint accounts by two or more employers,
 352 and shall, in accordance with such regulations and upon application by two
 353 or more employers to establish such an account, or to merge their several
 354 individual accounts in a joint account, maintain such joint account as if it
 355 constituted a single employer's account.

356 (D) Prior to July first of each calendar year, the Division of Employ-
 357 ment Security shall make a preliminary determination of the rate of contri-
 358 bution for the twelve months commencing on such July first for each em-
 359 ployer subject to the contribution requirements of this subsection (e).

360 (1) Such preliminary rate shall be one-quarter of one per centum ($\frac{1}{4}$ of
 361 1%) unless on the preceding December thirty-first such employer shall have
 362 been a covered employer for at least two full years and his account shall
 363 have been credited with at least fifteen hundred dollars (\$1,500.00) of em-
 364 ployer and employee contributions.

365 (2) If the minimum requirements in (1) above have been fulfilled and
 366 the credited contributions exceed the benefits charged by more than five hun-
 367 dred dollars (\$500.00), such preliminary rate shall be as follows:

368 (i) Two-tenths of one per centum ($2/10$ of 1%) if such excess over
 369 five hundred dollars (\$500.00) exceeds one per centum (1%) but is less
 370 than one and one-quarter per centum ($1\frac{1}{4}\%$) of his average annual pay-
 371 roll (as defined in this chapter);

372 (ii) Fifteen one hundredths of one per centum ($15/100$ of 1%) if
 373 such excess over five hundred dollars (\$500.00) equals or exceeds one
 374 and one-quarter per centum ($1\frac{1}{4}\%$) but is less than one and one-half per
 375 centum ($1\frac{1}{2}\%$) of his average annual payroll;

376 (iii) One-tenth of one per centum ($1/10$ of 1%) if such excess over
 377 five hundred dollars (\$500.00) equals or exceeds one and one-half per
 378 centum ($1\frac{1}{2}\%$) of his average annual payroll.

379 (3) If the minimum requirements in (1) above have been fulfilled and the
 380 contributions credited exceed the benefits charged but by not more than five
 381 hundred dollars (\$500.00) plus one per centum (1%) of his average annual
 382 payroll, or if the benefits charged exceed the contributions credited but by not
 383 more than five hundred dollars (\$500.00), the preliminary rate shall be one-
 384 quarter of one per centum ($\frac{1}{4}$ of 1%).

385 (4) If the minimum requirements in (1) above have been fulfilled and
 386 the benefits charged exceed the contributions credited by more than five hun-
 387 dred dollars (\$500.00), such preliminary rate shall be as follows:

388 (i) Thirty-five one hundredths of one per centum ($35/100$ of 1%) if
 389 such excess over five hundred dollars (\$500.00) is less than one-quarter
 390 of one per centum ($\frac{1}{4}$ of 1%) of his average annual payroll;

391 (ii) Forty-five one hundredths of one per centum ($45/100$ of 1%) if
 392 such excess over five hundred dollars (\$500.00) equals or exceeds one-
 393 quarter of one per centum ($\frac{1}{4}$ of 1%) but is less than one-half of one
 394 per centum ($\frac{1}{2}$ of 1%) of his average annual payroll;

395 (iii) Fifty-five one hundredths of one per centum ($55/100$ of 1%) if

396 such excess over five hundred dollars (\$500.00) equals or exceeds one-
 397 half of one per centum ($\frac{1}{2}$ of 1%) but is less than three-quarters of one
 398 per centum ($\frac{3}{4}$ of 1%) of his average annual payroll;

399 (iv) Sixty-five one hundredths of one per centum ($\frac{65}{100}$ of 1%) if
 400 such excess over five hundred dollars (\$500.00) equals or exceeds three-
 401 quarters of one per centum ($\frac{3}{4}$ of 1%) but is less than one per centum
 402 (1%) of his average annual payroll;

403 (v) Seventy-five one hundredths of one per centum ($\frac{75}{100}$ of 1%)
 404 if such excess over five hundred dollars (\$500.00) equals or exceeds one
 405 per centum (1%) of his average annual payroll.

406 (5) Determination of the preliminary rates as specified in (2), (3) and
 407 (4) above shall be subject, however, to the condition that it shall in no event
 408 be decreased by more than one-tenth of one per centum ($\frac{1}{10}$ of 1%) of
 409 wages or increased by more than two-tenths of one per centum ($\frac{2}{10}$ of 1%)
 410 of wages from the preliminary rate determined for the preceding year in
 411 accordance with (1), (2), (3) or (4), whichever shall have been applicable.

412 (E) (1) Prior to July first of each calendar year the Division of Employ-
 413 ment Security shall determine the amount of the State disability benefits fund
 414 as of December thirty-first of the preceding calendar year increased by the con-
 415 tributions paid thereto during January of the current calendar year with re-
 416 spect to employment occurring in preceding calendar years and decreased by
 417 the benefits paid during January of the current calendar year with respect to
 418 disability in preceding calendar years. If such amount exceeds the total of the
 419 amounts withdrawn from the unemployment trust fund pursuant to section
 420 twenty-three of the Temporary Disability Benefits Law plus the amount at the
 421 end of such preceding calendar year of the unemployment disability account
 422 (as defined in section twenty-two of said law), such excess shall be expressed
 423 as a percentage of the wages on which contributions were paid to the State dis-
 424 ability benefits fund on or before January thirty-first with respect to
 425 employment in the preceding calendar year.

426 (2) The Division of Employment Security shall then make a final deter-
 427 mination of the rates of contribution for the twelve months commencing
 428 July first of such year for employers whose preliminary rates are deter-
 429 mined as provided in (D) hereof, as follows:

430 (i) If the percentage determined in accordance with paragraph (1)
 431 of this subsection equals or exceeds one and one-quarter per centum
 432 ($1\frac{1}{4}\%$) the final employer rates shall be the preliminary rates deter-
 433 mined as provided in (D) hereof, except that if the employer's prelimi-
 434 nary rate is determined as provided in (D) (2) or (D) (3) hereof, the
 435 final employer rate shall be the preliminary employer rate decreased by
 436 such percentage of excess taken to the nearest five one hundredths of
 437 one per centum ($5/100$ of 1%), but in no case shall such final rate be less
 438 than one-tenth of one per centum ($1/10$ of 1%).

439 (ii) If the percentage determined in accordance with paragraph (1)
 440 of this subsection equals or exceeds three-quarters of one per centum
 441 ($\frac{3}{4}$ of 1%) and is less than one and one-quarter of one per centum ($1\frac{1}{4}$
 442 of 1%), the final employer rates shall be the preliminary employer rates.

443 (iii) If the percentage determined in accordance with paragraph
 444 (1) of this subsection is less than three-quarters of one per centum
 445 ($\frac{3}{4}$ of 1%), the final employer rates shall be the preliminary em-
 446 ployer rates determined as provided in (D) hereof increased by the
 447 difference between three-quarters of one per centum ($\frac{3}{4}$ of 1%) and
 448 such percentage taken to the nearest five one hundredths of one per
 449 centum ($5/100$ of 1%); *provided, however*, that no such final rate shall
 450 be more than one-quarter of one per centum ($\frac{1}{4}$ of 1%) in the case of
 451 an employer whose preliminary rate is determined as provided in (D)
 452 (2) hereof, more than one-half of one per centum ($\frac{1}{2}$ of 1%) in the
 453 case of an employer whose preliminary rate is determined as pro-
 454 vided in (D) (1) and (D) (3) hereof, nor more than three-quarters
 455 of one per centum ($\frac{3}{4}$ of 1%) in the case of an employer whose pre-
 456 liminary rate is determined as provided in (D) (4) hereof.

457 (iv) If the amount of the State disability benefits fund determined
458 as provided in paragraph (1) of this subsection is equal to or less than
459 the total of the amounts withdrawn from the unemployment trust
460 fund pursuant to section twenty-three of the Temporary Disability
461 Benefits Law plus the amount at the end of the preceding calendar year
462 of the unemployment disability account, then the final rate shall be
463 three-quarters of one per centum ($\frac{3}{4}$ of 1%) for all employers.

1 5. This act shall take effect July first, one thousand nine hundred and
2 fifty, but shall apply only to benefit years commencing on and after that date.

STATEMENT

The purpose of this bill is to carry out the policy of Governor Driscoll's second Inaugural Message to the Legislature to increase unemployment compensation benefits to an adequate level under current economic conditions. The bill would increase maximum benefits from the present twenty-two dollars (\$22.00) for twenty-six weeks to a maximum of twenty-eight dollars (\$28.00) for twenty-six weeks. In order for a claimant to be eligible for the new maximum benefits he must have earned at least six hundred and sixteen dollars (\$616.00) in the high quarter of his base year and two thousand, one hundred and eighty-four dollars (\$2,184.00) in his entire base year.

In recognition of the difficulty in administering this justifiably higher level of benefits, the bill would disqualify anyone voluntarily leaving work without good cause until he had again become employed and earned at least four times his weekly benefit rate. Decentralized administration and simpler and more effective fraud penalties are provided in another bill.

The bill also contains a few technical amendments to better conform the law to the Temporary Disability Benefits Law.

5
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ADOPTED MARCH 30, 1950

AN ACT concerning unemployment compensation, and amending sections 43:21-3,
43:21-4, 43:21-5 and 43:21-7 of the Revised Statutes.

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

1 1. Section 43:21-3 of the Revised Statutes is amended to read as fol-
2 lows:

3 43:21-3. (a) Payment of benefits. Twenty-five months after the date
4 when contributions first accrue under this chapter, benefits shall become pay-
5 able from the fund; *provided*, that remuneration or services with respect to
6 which unemployment compensation is payable under the Railroad Unemploy-
7 ment Insurance Act (52 Stat. 1094), irrespective of when performed, shall
8 not be included for purposes of determining eligibility under subsection (e)
9 of section 43:21-4 of this chapter or the weekly benefit rate under subsec-
10 tion (c) of this section for the purpose of any benefit year commencing on
11 or after July first, one thousand nine hundred and thirty-nine, nor shall any
12 benefits with respect to unemployment occurring on and after July first, one
13 thousand nine hundred and thirty-nine, be payable under subsection (d) of
14 this section on the basis of such remuneration. All benefits shall be paid
15 through employment offices, or such other agencies as may be designated in
16 accordance with such regulations as may be prescribed hereunder.

17 (b) Weekly benefits for unemployment. Each eligible individual who is
18 unemployed (as defined in subsection (m) of section 43:21-19 of this chap-
19 ter) in any week shall be paid with respect to such week (except as to final
20 payment) an amount equal to his weekly benefit rate less any remuneration

21 in excess of three dollars (\$3.00) paid or payable to him for such week;
 22 *provided*, that such amount shall be computed to the next highest multiple of
 23 one dollar (\$1.00), if not already a multiple thereof.

24 (c) Weekly benefit rate. An individual's weekly rate shall be one-
 25 twenty-second of his total wages in that calendar quarter in which said total
 26 wages were highest during his base year; *provided*, that such rate shall be
 27 computed to the next highest multiple of one dollar (\$1.00) if not already a
 28 multiple thereof, and shall not be more than twenty-six dollars (\$26.00)
 29 nor less than ten dollars (\$10.00).

30 (d) Maximum total benefits. The maximum total amount of benefits
 31 payable to any eligible individual under either of subsections (c) and (f) of
 32 section 43:21-4 of this Title during any benefit year shall be either one-third
 33 of his total wages during his base year, computed to the next highest multiple
 34 of one dollar (\$1.00), if not already a multiple thereof, or twenty-six times
 35 his weekly benefit rate, whichever is the lesser; in no event, however, are
 36 such total benefits under either of said subsections (c) and (f) to be less than
 37 ten times his weekly benefit rate. In the event that an individual qualified
 38 for benefits under both of said subsections during any benefit year, the
 39 maximum total amount of benefits payable under said subsections combined
 40 to such individual during the benefit year shall be one and one-half times the
 41 maximum amount of benefits payable under one of said subsections.

1 2. Section 43:21-4 of the Revised Statutes is amended to read as follows:

2 43:21-4. An individual, totally or partially unemployed, shall be eligible
 3 to receive benefits with respect to any week only if it appears that:

4 (a) He has registered for work at, and thereafter continued to report
 5 at, an employment office in accordance with such regulations as the commis-
 6 sion may prescribe, except that the commission may, by regulation, waive or
 7 alter either or both of the requirements of this subsection as to individuals
 8 attached to regular jobs, and as to such other types of cases or situations with
 9 respect to which the commission finds that compliance with such require-
 10 ments would be oppressive, or would be inconsistent with the purpose of this

11 act; *provided*, that no such regulation shall conflict with subsection (a) of
 12 section 43:21-3 of the Revised Statutes.

13 (b) He has made a claim for benefits in accordance with the provisions
 14 of subsection (a) of section 43:21-6 of this Title.

15 (c) He is able to work, is available for work, and has demonstrated that
 16 he is actively seeking work, except as provided in subsection (f) of this
 17 section;

18 (d) Prior to the first week for which he claims benefits in any benefit
 19 year he has been totally or partially unemployed for a waiting period of one
 20 week in that benefit year. No week shall be counted as a week of unemploy-
 21 ment for the purposes of this subsection:

22 (1) if benefits have been paid, or are payable with respect thereto;

23 (2) if it has constituted a waiting period week under the Temporary
 24 Disability Benefits Law;

25 (3) unless the individual fulfills the requirements of subsections (a) and
 26 (c) of this section.

27 (e) His wages within his base year were not less than thirty times his
 28 weekly benefit amount.

29-33 (f) He has suffered any accident or sickness not compensable under the
 34 workmen's compensation law (Title 34 of the Revised Statutes) and resulting
 35 in his total disability to perform any work for remuneration, and would be
 36 eligible to receive benefits under this chapter (without regard to the maxi-
 37 mum amount of benefits payable during any benefit year) except for his
 38 inability to work and has furnished notice and proof of claim to the commis-
 39 sion, in accordance with its rules and regulations, and payment is not pre-
 40 cluded by the provisions of subsection (g) hereof or of section 43:21-3 (d)
 41 of this Title. Such benefit payments shall be charged to and paid from the
 42 State disability benefits fund established by the Temporary Disability
 43 Benefits Law, and shall not be charged to any employer account in comput-
 44 ing any employer's experience rate for contributions payable under this
 45 chapter.

46 (g) No benefits shall be payable under subsection (f) above to any
47 individual:

48 (1) for any period during which such individual is not under the care
49 of a legally licensed physician;

50 (2) for any period of disability due to pregnancy or resulting child-
51 birth, miscarriage, or abortion;

52 (3) for any period of disability due to willfully or intentionally self-
53 inflicted injury, or to injuries sustained in the perpetration by the individual
54 of a high misdemeanor;

55 (4) for any week with respect to which or a part of which he has
56 received or is seeking unemployment benefits under any unemployment
57 compensation or disability benefit law of any other State or of the United
58 States; *provided*, that if the appropriate agency of such other State or of the
59 United States finally determines that he is not entitled to such benefits, this
60 disqualification shall not apply;

61 (5) for the two weeks immediately following detachment from any
62 maritime services performed under shipping articles;

63 (6) for any week with respect to which or part of which he has received
64 or is seeking disability benefits under the Temporary Disability Benefits Law;

65 (7) for any period of disability commencing prior to January first, one
66 thousand nine hundred and forty-nine, or for any period of disability com-
67 mencing while such individual is a "covered individual" as defined in sub-
68 section three (b) of the Temporary Disability Benefits Law (chapter 110,
69 P. L. 1948), or after the expiration of twenty-six consecutive weeks during
70 which the individual has been unemployed and ineligible or disqualified for
71 benefits for such unemployment.

72 (h) Notwithstanding any other provision of this chapter, the director
73 may, to the extent that he deems efficient and economical, provide for con-
74 solidated administration by one or more representatives or deputies of claims
75 made pursuant to subsection (f) of this section with those made pursuant to
76 article III (State plan) of the Temporary Disability Benefits Law.

1 3. Section 43:21-5 of the Revised Statutes is amended to read as follows:

2 43:21-5. An individual shall be disqualified for benefits:

3 (a) For the week in which he has left work voluntarily without good
4 cause, and for each week thereafter until he has earned in employment at
5 least four times his weekly benefit rate, as determined in each case.

6 (b) For the week in which he has been discharged for misconduct con-
7 nected with his work, and for the five weeks which immediately follow such
8 week (in addition to the waiting period), as determined in each case.

9 (c) If it is found that he has failed, without good cause, either to apply
10 for available, suitable work when so directed by the employment office or the
11 director or to accept suitable work when offered him, or to return to his cus-
12 tomary self-employment (if any) when so directed by the director. Such dis-
13 qualification shall continue for the week in which such failure occurred and
14 for the three weeks which immediately follow such week (in addition to the
15-18 waiting period), as determined:

19 (1) In determining whether or not any work is suitable for an
20 individual, consideration shall be given to the degree of risk involved to
21 his health, safety and morals, his physical fitness and prior training, his
22 experience and prior earnings, his length of unemployment and prospects
23 for securing local work in his customary occupation, and the distance of
24 the available work from his residence.

25 (2) Notwithstanding any other provisions of this chapter, no work
26 shall be deemed suitable and benefits shall not be denied under this chap-
27 ter to any otherwise eligible individual for refusing to accept new work
28 under any of the following conditions: (a) If the position offered is
29 vacant due directly to a strike, lockout, or other labor dispute; (b) if
30 the remuneration, hours, or other conditions of the work offered are sub-
31 stantially less favorable to the individual than those prevailing for
32 similar work in the locality; (c) if as a condition of being employed the
33 individual would be required to join a company union or to resign from
34 or refrain from joining any bona fide labor organization.

35 (d) For any week with respect to which it is found that his unem-
 36 ployment is due to a stoppage of work which exists because of a labor
 37 dispute at the factory, establishment, or other premises at which he is or was
 38 last employed; *provided*, that this subsection shall not apply if it is shown
 39 that:

40 (1) He is not participating in or financing or directly interested in
 41 the labor dispute which caused the stoppage of work; and

42 (2) He does not belong to a grade or class of workers of which,
 43 immediately before the commencement of the stoppage, there were mem-
 44 bers employed at the premises at which the stoppage occurs, any of
 45 whom are participating in or financing or directly interested in the dis-
 46 pute; *provided*, that if in any case in which (1) or (2) above applies
 47 separate branches of work which are commonly conducted as separate
 48 businesses in separate premises are conducted in separate departments
 49 of the same premises, each such department shall, for the purposes of
 50 this subsection, be deemed to be a separate factory, establishment, or
 51 other premises.

52 (e) For any week with respect to which he is receiving or has received
 53 remuneration in lieu of notice.

54 (f) For any week with respect to which or a part of which he has
 55 received or is seeking unemployment benefits under an unemployment com-
 56 pensation law of any other State or of the United States; *provided*, that if
 57 the appropriate agency of such other State or of the United States finally
 58 determines that he is not entitled to such unemployment benefits, this dis-
 59 qualification shall not apply.

60 (g) For the two weeks immediately following detachment from any
 61 maritime services performed under shipping articles.

1 4. Section 43:21-7 of the Revised Statutes is amended to read as follows:

2 43:21-7. (a) Payment.

3 (1) On and after December first, one thousand nine hundred and thirty-
 4 six, contributions shall accrue and become payable by each employer for each

5 calendar year in which he is subject to this chapter, with respect to having
6 individuals in his employ during such calendar year at the rates and on the
7 basis hereinafter set forth, except that for the month of December, one thou-
8 sand nine hundred and thirty-six, such contributions shall accrue and become
9 payable with respect to having individuals in his employ during the month
10 of December, one thousand nine hundred and thirty-six. Such contributions
11 shall become due and be paid by each employer to the Division of Employ-
12 ment Security for the fund in accordance with such regulations as may be
13 prescribed, and shall not be deducted, in whole or in part, from the
14 remuneration of individuals in his employ.

15 (2) In the payment of any contributions, a fractional part of a cent shall
16 be disregarded unless it amounts to one-half cent (\$0.005) or more, in which
17 case it shall be increased to one cent (\$0.01).

18 (b) Rate of contributions. Each employer shall pay the following con-
19 tributions:

20 (1) Ten and eight-tenths per centum (10 8/10%) of wages payable with
21 respect to employment during the month of December, one thousand nine
22 hundred and thirty-six and paid prior to January first, one thousand nine
23 hundred and forty-seven; *provided*, that if the total of such contributions at
24 such ten and eight-tenths per centum (10 8/10%) rate equals less than nine-
25 tenths of one per centum (9/10 of 1%) of the annual payroll of any
26 employer payable for the calendar year one thousand nine hundred and
27 thirty-six, such employer shall pay, not later than January twenty-fifth, one
28 thousand nine hundred and thirty-seven, an additional lump-sum contribution
29 with respect to employment for such one month's period beginning Decem-
30 ber first, one thousand nine hundred and thirty-six, equal to the difference
31 between nine-tenths of one per centum (9/10 of 1%) of his annual payroll
32 payable for the calendar year one thousand nine hundred and thirty-six and
33 the total of his contributions at such ten and eight-tenths per centum
34 (10 8/10%) for such one month's period beginning December first, one thou-
35 sand nine hundred and thirty-six; *and provided further*, that the total of

36 such contributions with respect to employment for such one month's period
37 beginning December first, one thousand nine hundred and thirty-six, shall
38 not exceed nine-tenths of one per centum ($9/10$ of 1%) of such employer's
39 annual payroll payable for the calendar year one thousand nine hundred and
40 thirty-six.

41 (2) One and eight-tenths per centum ($1\frac{8}{10}\%$) of wages payable with
42 respect to employment during the calendar year one thousand nine hundred
43 and thirty-seven and paid prior to January first, one thousand nine hundred
44 and forty-seven;

45 (3) Two and seven-tenths per centum ($2\frac{7}{10}\%$) of wages payable with
46 respect to employment during the calendar years one thousand nine hundred
47 and thirty-eight, one thousand nine hundred and thirty-nine, one thousand
48 nine hundred and forty and one thousand nine hundred and forty-one and
49 paid prior to January first, one thousand nine hundred and forty-seven; and,
50 except as otherwise prescribed by subsection (c) of this section, also during
51 the calendar years one thousand nine hundred and forty-two to one thousand
52 nine hundred and forty-six, inclusive, and paid prior to January first, one
53 thousand nine hundred and forty-seven; and

54 (4) For the calendar year one thousand nine hundred and forty-seven,
55 and each calendar year thereafter, two and seven-tenths per centum
56 ($2\frac{7}{10}\%$) of wages paid by him during each such calendar year, except as
57 otherwise prescribed by subsection (c) of this section.

58 (5) The "wages" of any individual, with respect to any one employer
59 as the term is used in this subsection (b) and in subsections (c), (d) and
60 (e) of this section seven, shall include:

61 (A) All remuneration payable for the month of December, one
62 thousand nine hundred and thirty-six, and for the calendar years one
63 thousand nine hundred and thirty-seven, one thousand nine hundred and
64 thirty-eight, one thousand nine hundred and thirty-nine, and paid prior
65 to January first, one thousand nine hundred and forty-seven;

66 (B) The first three thousand dollars (\$3,000.00) earned for each of
67 the calendar years one thousand nine hundred and forty to one thou-
68 sand nine hundred and forty-six, inclusive, and paid prior to January
69 first, one thousand nine hundred and forty-seven; and

70 (C) The first three thousand dollars (\$3,000.00) paid during the
71 calendar year one thousand nine hundred and forty-seven and during
72 each calendar year thereafter, for services either within or without this
73 State; *provided*, that no contribution shall be required by this State with
74 respect to services performed in another State if such other State im-
75 poses contribution liability with respect thereto.

76 (c) Future rates based on benefit experience: (1) A separate account
77 for each employer shall be maintained and this shall be credited with all the
78 contributions which he has paid on his own behalf on or before January
79 thirty-first of any calendar year with respect to employment occurring in
80 preceding calendar years. But nothing in this chapter shall be construed to
81 grant any employer or individuals in his service prior claims or rights to
82 the amounts paid by him into the fund either on his own behalf or on behalf
83 of such individuals. Benefits paid to any individual on or before January
84 thirty-first of any calendar year with respect to unemployment in preceding
85 calendar years shall be charged against the account of each of the employers
86 with whom such individual accrued the wage credits constituting the basis
87 of such benefits, in the same proportion as such wage credits with each such
88 employer bear to such wage credits with all such employers. The Division
89 of Employment Security shall furnish to each employer at such frequency
90 as the division shall, by regulation, prescribe, but in no case less frequently
91 than annually, a detailed statement of benefits charged to his account.

92 (2) The Division of Employment Security may prescribe regulations
93 for the establishment, maintenance, and dissolution of joint accounts by two
94 or more employers, and shall, in accordance with such regulations and upon
95 application by two or more employers to establish such an account, or to
96 merge their several individual accounts in a joint account, maintain such
97-115 joint account as if it constituted a single employer's account.

116 (3) Each employer's rate shall be two and seven-tenths per centum
117 ($2\frac{7}{10}\%$), except as otherwise provided in the following provisions: No
118 employer's rate shall be other than two and seven-tenths per centum
119 ($2\frac{7}{10}\%$) unless and until there shall have been three calendar years
120 throughout which any individual in his employ could have received benefits
121 if eligible.

122 (4) Each employer's rate for the twelve months commencing July first
123 of any calendar year shall be determined on the basis of his record up to the
124 beginning of such calendar year. If, at the beginning of such calendar year,
125 the total of all his contributions, paid on his own behalf, for all past years
126 exceeds the total benefits charged to his account for all such years, his con-
127 tribution rate shall be:

128 (A) Two and four-tenths per centum ($2\frac{4}{10}\%$), if such excess
129 equals or exceeds four per centum (4%), but is less than five per centum
130 (5%) of his average annual payroll (as defined in paragraph (2), sub-
131 section (a) of section 43:21-19 of this Title);

132 (B) Two and one-tenth per centum ($2\frac{1}{10}\%$), if such excess equals
133 or exceeds five per centum (5%), but is less than six per centum (6%)
134 of his average annual payroll;

135 (C) One and eight-tenths per centum ($1\frac{8}{10}\%$), if such excess
136 equals or exceeds six per centum (6%), but is less than seven per centum
137 (7%) of his average annual payroll;

138 (D) One and five-tenths per centum ($1\frac{5}{10}\%$), if such excess
139 equals or exceeds seven per centum (7%), but is less than eight per
140 centum (8%) of his average annual payroll;

141 (E) One and two-tenths per centum ($1\frac{2}{10}\%$), if such excess
142 equals or exceeds eight per centum (8%), but is less than nine per
143 centum (9%), of his average annual payroll;

144 (F) Nine-tenths of one per centum ($\frac{9}{10}$ of 1%), if such excess
145 equals or exceeds nine per centum (9%), but is less than ten per centum
146 (10%), of his average annual payroll;

147 (G) Six-tenths of one per centum ($\frac{6}{10}$ of 1%), if such excess
 148 equals or exceeds ten per centum (10%), but is less than eleven per
 149 centum (11%), of his average annual payroll;

150 (H) Three-tenths of one per centum ($\frac{3}{10}$ of 1%), if such excess
 151 equals or exceeds eleven per centum (11%) of his average annual pay-
 152 roll.

153 If the total of his contributions, paid on his own behalf, for all past
 154 periods, or for the past one hundred twenty consecutive calendar months,
 155 whichever period is more advantageous to such employer for the purposes
 156 of this paragraph, is less than the total benefits charged against his account
 157 during the same period, his rate shall be three per centum (3%).

158 (5) (A) If on March thirty-first of any calendar year the balance in
 159 the Unemployment Trust Fund equals or exceeds four per centum (4%) but is
 160 less than seven per centum (7%) of the total taxable wages reported to the
 161 division as of that date in respect to employment during the preceding
 162 calendar year, the contribution rate, effective July first following, of each
 163 employer eligible for a contribution rate calculation based upon benefit expe-
 164 rience, shall be increased by three-tenths of one per centum ($\frac{3}{10}$ of 1%)
 165 over the contribution rate otherwise established under the provisions of para-
 166 graph (4) of this subsection. If on March thirty-first of any calendar year
 167 the balance of the Unemployment Trust Fund is less than four per centum
 168 (4%) of the total taxable wages reported to the Division of Employment
 169 Security as of that date in respect to employment during the preceding
 170 calendar year, the contribution rate, effective July first following, of each
 171 employer eligible for a contribution rate calculation based upon benefit
 172 experience, shall be increased by six-tenths of one per centum ($\frac{6}{10}$ of 1%)
 173 over the contribution rate otherwise established under the provisions of
 174 paragraph (4) of this subsection; *provided*, that if on such March thirty-
 175 first, such balance is less than two and one-half per centum ($2\frac{1}{2}\%$) of such
 176 total taxable wages, the contribution rate so effective, of any employer, shall
 177 be not less than two and seven-tenths per centum ($2\frac{7}{10}\%$); *provided*

178 *further*, that the contribution rate of any employer increased pursuant to
179 the provisions of this subparagraph, when so increased, shall not exceed
180 three and six-tenths per centum ($3\frac{6}{10}\%$).

181 (B) If on March thirty-first of any calendar year the balance in the
182 Unemployment Trust Fund equals or exceeds ten per centum (10%) but is
183 less than twelve and one-half per centum ($12\frac{1}{2}\%$) of the total taxable wages
184 reported to the Division of Employment Security as of that date in respect
185 to employment during the preceding calendar year, the contribution rate,
186 effective July first following, of each employer eligible for a contribution
187 rate calculation based upon benefit experience, shall be reduced by three-
188 tenths of one per centum ($\frac{3}{10}$ of 1%) under the contribution rate other-
189 wise established under the provisions of paragraphs (3) and (4) of this
190 subsection; *provided*, that in no event shall the contribution rate of any
191 employer be reduced to less than three-tenths of one per centum ($\frac{3}{10}$ of
192 1%). If on March thirty-first of any calendar year the balance in the Unem-
193 ployment Trust Fund equals or exceeds twelve and one-half per centum
194 ($12\frac{1}{2}\%$) of the total taxable wages reported to the division as of that date
195 in respect to employment during the preceding calendar year, the contribu-
196 tion rate, effective July first following, of each employer eligible for a
197 contribution rate calculation based upon benefit experience, shall be reduced
198 by six-tenths of one per centum ($\frac{6}{10}$ of 1%) if his account reflects an excess
199 of contributions paid over total benefits charged of three per centum (3%)
200 or more of his average annual payroll, otherwise by three-tenths of one per
201 centum ($\frac{3}{10}$ of 1%) under the contribution rate otherwise established
202 under the provisions of paragraphs (3) and (4) of this subsection; *provided*,
203 that in no event shall the contribution rate of any employer be reduced to
204 less than three-tenths of one per centum ($\frac{3}{10}$ of 1%).

205 (6) Additional contributions.

206 Notwithstanding any other provision of law, any employer who has been
207 assigned a contribution rate pursuant to subsection (c) of this section for
208 the year commencing July first, one thousand nine hundred and forty-eight,

209 and for any year commencing July first thereafter, may voluntarily make
210 payment of additional contributions, and upon such payment shall receive
211 a recomputation of the experience rate applicable to such employer in-
212 cluding in the calculation the additional contribution so made. Any such
213 additional contribution shall be made during the thirty-day period follow-
214 ing the date of the mailing to the employer of the notice of his contribution
215 rate as prescribed in this section, unless, for good cause, the time for pay-
216 ment has been extended by the director for not to exceed an additional
217 sixty days; *provided*, that in no event may such payments which are made
218 later than one hundred twenty days after the beginning of the year for
219 which such rates are effective be considered in determining the experience
220 rate for the year in which the payment is made. Any employer receiving
221 any extended period of time within which to make such additional payment
222 and failing to make such payment timely shall pay, in addition to the re-
223 quired amount of additional payment, a penalty of five per centum (5%)
224 thereof or five dollars (\$5.00), whichever is greater, not to exceed fifty dol-
225 lars (\$50.00). Any adjustment under this subsection shall be made only in
226 the form of credits against accrued or future contributions.

227 (7) Transfers.

228 An employer who transfers his or its organization, trade, assets or
229 business, in whole or in part, to a successor in interest, whether by merger,
230 consolidation, sale, transfer, descent or otherwise, may jointly make applica-
231 tion with such successor in interest for transfer of the employment experi-
232 ence of the predecessor employer to the successor in interest, including
233 credit for past years, contributions paid, annual payrolls, benefit charges,
234 et cetera, applicable to such predecessor employer. The Division of Employ-
235 ment Security may allow such transfer of employment experience pursuant
236 to regulations adopted by the division, only if it finds that the employment
237 experience of the predecessor employer with respect to the organization,
238 trade, assets or business, or part thereof, as the case may be, which has been
239 transferred, may be considered indicative of the future employment experi-

240 ence of the successor in interest. In the event of a part transfer of an
 241 employer's organization, trade, assets or business, only that portion of the
 242 employment experience relating to the portion of the organization, trade,
 243 assets or business transferred shall be transferred, and credit shall be given
 244 to the successor in interest only for the years during which contributions were
 245 paid by the predecessor employer with respect to that part of the organiza-
 246 tion, trade, assets or business transferred. A transfer of the employment
 247 experience in whole or in part having been applied for and approved by
 248 the Division of Employment Security, the predecessor employer thereafter
 249 shall not be entitled to consideration for an adjusted rate based upon his or
 250 its experience or the part thereof, as the case may be, which has thus been
 251 transferred. A successor in interest to whom employment experience or a
 252 part thereof is transferred pursuant to this subsection shall, as of the date
 253 of the transfer of the organization, trade, assets or business, or part thereof,
 254 immediately become an employer if not theretofore an employer subject to
 254A this chapter.

255 (d) Contribution of workers; transfer to temporary disability benefit
 256 fund.

257 (1) Each worker shall contribute to the fund one per centum (1%) of
 258 his wages paid by an employer with respect to his employment which occurs
 259 after December thirty-first, one thousand nine hundred and thirty-seven, and
 260 after such employer has satisfied the conditions set forth in subsection (h)
 261 of section 43:21-19 of this Title with respect to becoming an employer; *pro-*
 262 *vided, however,* that such contribution shall be at the rate of one-fourth of
 263 one per centum ($\frac{1}{4}$ of 1%) of wages paid with respect to employment on
 264 and after January first, one thousand nine hundred and forty-nine, while
 265 the worker is covered by an approved private plan under the Temporary
 266 Disability Benefits Law or while the worker is exempt from the provisions
 267 of the Temporary Disability Benefits Law under section seven of that law.
 268 Each employer shall, notwithstanding any provisions of the law in this State
 269 to the contrary, withhold in trust the amount of his workers' contributions

270 from their wages at the time such wages are paid, shall show such deduc-
271 tion of his payroll records, shall furnish such evidence thereof to his workers
272 as the division may prescribe, and shall transmit all such contributions, in
273 addition to his own contributions, to the office of the Division of Employment
274 Security in such manner and at such times as may be prescribed. If any
275 employer fails to deduct the contributions of any of his workers at the time
276 their wages are paid, or fails to make a deduction therefor at the time wages
277 are paid for the next succeeding payroll period, he alone shall thereafter be
278 liable for such contributions, and for the purposes of section 43:21-14 of this
279 Title, such contributions shall be treated as employer's contributions required
280 from him. As used in this chapter, except when the context clearly requires
281 otherwise, the term "contributions" shall include the contributions of
282 workers pursuant to this section.

283 (2) There shall be deposited in and credited to the State disability bene-
284 fits fund, as the same shall be established by law, three-quarters of all worker
285 contributions, received by the Division of Employment Security pursuant to
286 subparagraph (1) above on and after April first, one thousand nine hun-
287 dred and forty-eight or the date this subparagraph takes effect, whichever
288 is later, with respect to wages upon which the rate of contributions is one
289 per centum (1%) as provided in (1) above.

290 (3) If an individual does not receive any wages from the employing
291 unit which for the purposes of this chapter is treated as his employer, or re-
292 ceives his wages from some other employing unit, such employer shall never-
293 theless be liable for such individual's contributions in the first instance; and
294 after payment thereof such employer may deduct the amount of such con-
295 tributions from any sums payable by him to such employing unit, or may
296 recover the amount of such contributions from such employing unit or in the
297 absence of such an employing unit, from such individual, in a civil action
298 for debt; *provided*, proceedings therefor are instituted within three months
299 after the date on which such contributions are payable. General rules shall
300 be prescribed whereby such an employing unit may recover the amount of

301 such contributions from such individuals in the same manner as if it were
302 the employer.

303 (4) Every employer who has elected to become an employer subject to
304 this chapter or to cease to be an employer subject to this chapter, pursuant
305 to the provisions of section 43:21-8 of this Title, shall post and maintain
306 printed notices of such election on his premises, of such design, in such num-
307 bers, and at such places as the director may determine to be necessary to
308 give notice thereof to persons in his service.

309 (5) Contributions by workers, payable to the Division of Employment
310 Security as herein provided, shall be exempt from garnishment, attachment,
311 execution, or any other remedy for the collection of debts.

312 (e) Contributions by employers to State disability benefits fund.

313 (1) Except as hereinafter provided, each employer shall, in addition to
314 the contributions required by subsections (a), (b), and (c) of this section,
315 contribute one-quarter of one per centum ($\frac{1}{4}$ of 1%) of the wages paid by
316 such employer to workers with respect to employment after January first,
317 one thousand nine hundred and forty-nine. Such contributions shall become
318 due and be paid by each employer to the Division of Employment Security
319 for the State disability benefits fund as established by law, in accordance
320 with such regulations as may be prescribed, and shall not be deducted, in
321 whole or in part, from the remuneration of individuals in his employ. In the
322 payment of any contributions, a fractional part of a cent shall be disre-
323 garded unless it amounts to one-half cent (\$0.005) or more, in which case
324 it shall be increased to one cent (\$0.01).

325 (2) During the continuance of coverage of a worker by an approved
326 private plan of disability benefits under the Temporary Disability Benefits
327 Law, the employer shall be exempt from the contribution required by sub-
328 paragraph (1) above with respect to wages paid to such worker.

329 (3) (A) The rates of contribution as specified in subparagraph (1)
330 above shall be subject to modification as provided herein with respect to
331 employer contributions due on and after July first, one thousand nine hun-
332 dred and fifty-one.

333 (B) A separate disability benefits account shall be maintained for each
 334 employer required to contribute to the State disability benefits fund and such
 335 account shall be credited with contributions deposited in and credited to such
 336 fund with respect to employment occurring on and after January first, one
 337 thousand nine hundred and forty-nine. Each employer's account shall be
 338 credited with all contributions paid on or before January thirty-first of any
 339 calendar year on his own behalf and on behalf of individuals in his service
 340 with respect to employment occurring in preceding calendar years. But
 341 nothing in this act shall be construed to grant any employer or individuals
 342 in his service prior claims or rights to the amounts paid by him to the fund
 343 either on his own behalf or on behalf of such individuals. Benefits paid to
 344 any covered individual in accordance with Article III of the Temporary Dis-
 345 ability Benefits Law on or before January thirty-first of any calendar year
 346 with respect to disability in preceding calendar years shall be charged
 347 against the account of the employer by whom such individual was employed
 348 at the commencement of such disability or by whom he was last employed if
 349 out of employment.

350 (C) The division may prescribe regulations for the establishment,
 351 maintenance, and dissolution of joint accounts by two or more employers,
 352 and shall, in accordance with such regulations and upon application by two
 353 or more employers to establish such an account, or to merge their several
 354 individual accounts in a joint account, maintain such joint account as if it
 355 constituted a single employer's account.

356 (D) Prior to July first of each calendar year, the Division of Employ-
 357 ment Security shall make a preliminary determination of the rate of contri-
 358 bution for the twelve months commencing on such July first for each em-
 359 ployer subject to the contribution requirements of this subsection (e).

360 (1) Such preliminary rate shall be one-quarter of one per centum ($\frac{1}{4}$ of
 361 1%) unless on the preceding December thirty-first such employer shall have
 362 been a covered employer for at least two full years and his account shall
 363 have been credited with at least fifteen hundred dollars (\$1,500.00) of em-
 364 ployer and employee contributions.

365 (2) If the minimum requirements in (1) above have been fulfilled and
 366 the credited contributions exceed the benefits charged by more than five hun-
 367 dred dollars (\$500.00), such preliminary rate shall be as follows:

368 (i) Two-tenths of one per centum ($2/10$ of 1%) if such excess over
 369 five hundred dollars (\$500.00) exceeds one per centum (1%) but is less
 370 than one and one-quarter per centum ($1\frac{1}{4}\%$) of his average annual pay-
 371 roll (as defined in this chapter);

372 (ii) Fifteen one hundredths of one per centum ($15/100$ of 1%) if
 373 such excess over five hundred dollars (\$500.00) equals or exceeds one
 374 and one-quarter per centum ($1\frac{1}{4}\%$) but is less than one and one-half per
 375 centum ($1\frac{1}{2}\%$) of his average annual payroll;

376 (iii) One-tenth of one per centum ($1/10$ of 1%) if such excess over
 377 five hundred dollars (\$500.00) equals or exceeds one and one-half per
 378 centum ($1\frac{1}{2}\%$) of his average annual payroll.

379 (3) If the minimum requirements in (1) above have been fulfilled and the
 380 contributions credited exceed the benefits charged but by not more than five
 381 hundred dollars (\$500.00) plus one per centum (1%) of his average annual
 382 payroll, or if the benefits charged exceed the contributions credited but by not
 383 more than five hundred dollars (\$500.00), the preliminary rate shall be one-
 384 quarter of one per centum ($\frac{1}{4}$ of 1%).

385 (4) If the minimum requirements in (1) above have been fulfilled and
 386 the benefits charged exceed the contributions credited by more than five hun-
 387 dred dollars (\$500.00), such preliminary rate shall be as follows:

388 (i) Thirty-five one hundredths of one per centum ($35/100$ of 1%) if
 389 such excess over five hundred dollars (\$500.00) is less than one-quarter
 390 of one per centum ($\frac{1}{4}$ of 1%) of his average annual payroll;

391 (ii) Forty-five one hundredths of one per centum ($45/100$ of 1%) if
 392 such excess over five hundred dollars (\$500.00) equals or exceeds one-
 393 quarter of one per centum ($\frac{1}{4}$ of 1%) but is less than one-half of one
 394 per centum ($\frac{1}{2}$ of 1%) of his average annual payroll;

395 (iii) Fifty-five one hundredths of one per centum ($55/100$ of 1%) if

396 such excess over five hundred dollars (\$500.00) equals or exceeds one-
 397 half of one per centum ($\frac{1}{2}$ of 1%) but is less than three-quarters of one
 398 per centum ($\frac{3}{4}$ of 1%) of his average annual payroll;

399 (iv) Sixty-five one hundredths of one per centum ($\frac{65}{100}$ of 1%) if
 400 such excess over five hundred dollars (\$500.00) equals or exceeds three-
 401 quarters of one per centum ($\frac{3}{4}$ of 1%) but is less than one per centum
 402 (1%) of his average annual payroll;

403 (v) Seventy-five one hundredths of one per centum ($\frac{75}{100}$ of 1%)
 404 if such excess over five hundred dollars (\$500.00) equals or exceeds one
 405 per centum (1%) of his average annual payroll.

406 (5) Determination of the preliminary rates as specified in (2), (3) and
 407 (4) above shall be subject, however, to the condition that it shall in no event
 408 be decreased by more than one-tenth of one per centum ($\frac{1}{10}$ of 1%) of
 409 wages or increased by more than two-tenths of one per centum ($\frac{2}{10}$ of 1%)
 410 of wages from the preliminary rate determined for the preceding year in
 411 accordance with (1), (2), (3) or (4), whichever shall have been applicable.

412 (E) (1) Prior to July first of each calendar year the Division of Employ-
 413 ment Security shall determine the amount of the State disability benefits fund
 414 as of December thirty-first of the preceding calendar year increased by the con-
 415 tributions paid thereto during January of the current calendar year with re-
 416 spect to employment occurring in preceding calendar years and decreased by
 417 the benefits paid during January of the current calendar year with respect to
 418 disability in preceding calendar years. If such amount exceeds the total of the
 419 amounts withdrawn from the unemployment trust fund pursuant to section
 420 twenty-three of the Temporary Disability Benefits Law plus the amount at the
 421 end of such preceding calendar year of the unemployment disability account
 422 (as defined in section twenty-two of said law), such excess shall be expressed
 423 as a percentage of the wages on which contributions were paid to the State dis-
 424 ability benefits fund on or before January thirty-first with respect to
 425 employment in the preceding calendar year.

426 (2) The Division of Employment Security shall then make a final deter-
427 mination of the rates of contribution for the twelve months commencing
428 July first of such year for employers whose preliminary rates are deter-
429 mined as provided in (D) hereof, as follows:

430 (i) If the percentage determined in accordance with paragraph (1)
431 of this subsection equals or exceeds one and one-quarter per centum
432 ($1\frac{1}{4}\%$) the final employer rates shall be the preliminary rates deter-
433 mined as provided in (D) hereof, except that if the employer's prelimi-
434 nary rate is determined as provided in (D) (2) or (D) (3) hereof, the
435 final employer rate shall be the preliminary employer rate decreased by
436 such percentage of excess taken to the nearest five one hundredths of
437 one per centum ($5/100$ of 1%), but in no case shall such final rate be less
438 than one-tenth of one per centum ($1/10$ of 1%).

439 (ii) If the percentage determined in accordance with paragraph (1)
440 of this subsection equals or exceeds three-quarters of one per centum
441 ($\frac{3}{4}$ of 1%) and is less than one and one-quarter of one per centum ($1\frac{1}{4}$
442 of 1%), the final employer rates shall be the preliminary employer rates.

443 (iii) If the percentage determined in accordance with paragraph
444 (1) of this subsection is less than three-quarters of one per centum
445 ($\frac{3}{4}$ of 1%), the final employer rates shall be the preliminary em-
446 ployer rates determined as provided in (D) hereof increased by the
447 difference between three-quarters of one per centum ($\frac{3}{4}$ of 1%) and
448 such percentage taken to the nearest five one hundredths of one per
449 centum ($5/100$ of 1%); *provided, however*, that no such final rate shall
450 be more than one-quarter of one per centum ($\frac{1}{4}$ of 1%) in the case of
451 an employer whose preliminary rate is determined as provided in (D)
452 (2) hereof, more than one-half of one per centum ($\frac{1}{2}$ of 1%) in the
453 case of an employer whose preliminary rate is determined as pro-
454 vided in (D) (1) and (D) (3) hereof, nor more than three-quarters
455 of one per centum ($\frac{3}{4}$ of 1%) in the case of an employer whose pre-
456 liminary rate is determined as provided in (D) (4) hereof.

457 (iv) If the amount of the State disability benefits fund determined
458 as provided in paragraph (1) of this subsection is equal to or less than
459 the total of the amounts withdrawn from the unemployment trust
460 fund pursuant to section twenty-three of the Temporary Disability
461 Benefits Law plus the amount at the end of the preceding calendar year
462 of the unemployment disability account, then the final rate shall be
463 three-quarters of one per centum ($\frac{3}{4}$ of 1%) for all employers.

1 5. This act shall take effect July first, one thousand nine hundred and
2 fifty, but shall apply only to benefit years commencing on and after that date.

STATEMENT

The purpose of this bill is to carry out the policy of Governor Driscoll's second Inaugural Message to the Legislature to increase unemployment compensation benefits to an adequate level under current economic conditions. The bill would increase maximum benefits from the present twenty-two dollars (\$22.00) for twenty-six weeks to a maximum of twenty-six dollars (\$26.00) for twenty-six weeks. In order for a claimant to be eligible for the new maximum benefits he must have earned at least six hundred and sixteen dollars (\$616.00) in the high quarter of his base year and two thousand, one hundred and eighty-four dollars (\$2,184.00) in his entire base year.

In recognition of the difficulty in administering this justifiably higher level of benefits, the bill would disqualify anyone voluntarily leaving work without good cause until he had again become employed and earned at least four times his weekly benefit rate. Decentralized administration and simpler and more effective fraud penalties are provided in another bill.

The bill also contains a few technical amendments to better conform the law to the Temporary Disability Benefits Law.

6.

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ASSEMBLY COMMITTEE AMENDMENTS TO

SENATE, No. 310

STATE OF NEW JERSEY

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Trenton, N. J.

ADOPTED APRIL 12, 1950

Amend page 2, section 1 (c), line 28, delete the words "twenty-six dollars (\$26.00)" and substitute the words "thirty dollars (\$30.00)".

Amend page 3, section 2 (c), lines 27 and 28, delete the words "thirty times his weekly benefit amount" and insert the words "three hundred dollars (\$300.00)".

Amend page 5, section 3 (a), line 4, delete the words "in employment" and insert the words "from any employer or employing unit remuneration equal to".

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ASSEMBLY AMENDMENTS TO
COMMITTEE SUBSTITUTE FOR

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STATE OF NEW JERSEY

ADOPTED MAY 10, 1950

Amend page 3, section 2, line 27, omit "thirty" insert "twenty-five".

Amend page 5, section 3, line 4, after "employment" insert "(which may
be with an employing unit having in employment one or more individuals)".

SENATE, No. 154

185 W. State Street
Trenton, N. J.

STATE OF NEW JERSEY

INTRODUCED MARCH 10, 1952

By Mr. BODINE

Referred to Committee on Labor, Industries and Social Welfare

AN ACT concerning unemployment compensation and temporary disability benefits, and amending sections 43:21-3, 43:21-4, 43:21-6, 43:21-7, 43:21-11, 43:21-14, 43:21-16 and 43:21-19 of the Revised Statutes.

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

1 1. Section 43:21-3 of the Revised Statutes is amended to read as fol-
2 lows:

3 43:21-3. (a) Payment of benefits. [Twenty-five months after the date
4 when contributions first accrue under this chapter, benefits shall become pay-
5 able from the fund; *provided*, that remuneration or services with respect to
6 which unemployment compensation is payable under the Railroad Unemploy-
7 ment Insurance Act (52 Stat. 1094), irrespective of when performed, shall
8 not be included for purposes of determining eligibility under subsection (e)
9 of section 43:21-4 of this chapter or the weekly benefit rate under subsec-
10 tion (c) of this section for the purpose of any benefit year commencing on
11 or after July first, one thousand nine hundred and thirty-nine, nor shall any
12 benefits with respect to unemployment occurring on and after July first, one
13 thousand nine hundred and thirty-nine, be payable under subsection (d) of this
14 section on the basis of such remuneration.] All benefits shall be paid from the
15 fund through employment offices, or such other agencies as may be designated
16 in accordance with such regulations as may be prescribed hereunder.

17 (b) Weekly benefits for unemployment.

18 (1) With respect to an individual's benefit year commencing prior to Jan-
 19 uary first, one thousand nine hundred and fifty-three, such [Each eligible]
 20 individual [who is], if eligible and unemployed (as defined in subsection
 21 (m) of section 43:21-19 of this [chapter] Title) in any week, shall be paid
 22 with respect to such week (except as to final payment) an amount equal to
 23 his weekly benefit rate less any remuneration in excess of three dollars
 24 (\$3.00) paid or payable to him for such week; *provided*, that such amount
 25 shall be computed to the next highest multiple of one dollar (\$1.00), if not
 26 already a multiple thereof.

27 (2) With respect to an individual's benefit year commencing on or after
 28 January first, one thousand nine hundred and fifty-three, such individual, if
 29 eligible and unemployed (as defined in subsection (m) of section 43:21-19 of
 30 this Title), shall be paid an amount (except as to final payment) equal to
 31 his weekly benefit rate with respect to any week in which he has earned no
 32 remuneration or remuneration equal to less than one-half said rate, or shall
 33 be paid an amount equal to one-half his weekly benefit rate with respect to
 34 any week in which he has earned remuneration equal to or more than one-half
 35 said rate but less than said rate.

36 (c) Weekly benefit rate.

37 (1) With respect to an individual to whom benefits shall be payable as
 38 provided in paragraph (1) of subsection (b) of this section, the [An indi-
 39 vidual's] weekly benefit rate shall be one-twenty-second of his total wages
 40 in that calendar quarter in which said total wages were highest during his
 41 base year; provided, that such rate shall be computed to the next highest
 42 multiple of one dollar (\$1.00) if not already a multiple thereof, and shall
 43 not be more than [twenty-six dollars (\$26.00)] thirty dollars (\$30.00) nor
 44 less than ten dollars (\$10.00).

45 (2) With respect to an individual to whom benefits shall be payable as
 46 provided in paragraph (2) of subsection (b) of this section, his weekly benefit

47 rate under each benefit determination shall be two-thirds of his average
 48 weekly wage; *provided*, that such rate shall be computed to the next highest
 49 multiple of one dollar (\$1.00) if not already a multiple thereof, and shall
 50 not be more than thirty dollars (\$30.00) nor less than ten dollars (\$10.00).

51 (d) Maximum total benefits.

52 (1) With respect to an individual to whom weekly benefits for unem-
 53 ployment shall be payable as provided in paragraph (1) of subsection (b)
 54 of this section, [T] the maximum total amount of benefits payable to any
 55 eligible individual under either of subsections (c) and (f) of section 43:21-4
 56 of this Title during any benefit year shall be either one-third of his total
 57 wages during his base year, computed to the next highest multiple of one
 58 dollar (\$1.00), if not already a multiple thereof, or twenty-six times his
 59 weekly benefit rate, whichever is the lesser; in no event, however, are such
 60 total benefits under either of said subsections (c) and (f) to be less than ten
 61 times his weekly benefit rate. In the event that an individual qualified for
 62 benefits under both of said subsections during any benefit year, the max-
 63 imum total amount of benefits payable under said subsections combined to
 64 such individual during the benefit year shall be one and one-half times the
 65 maximum amount of benefits payable under one of said subsections.

66 (2) With respect to an individual to whom benefits shall be payable as
 67 provided in paragraph (2) of subsection (b) of this section:

68 (A) Such individual shall be entitled to receive, under each suc-
 69 cessive benefit determination relating to each of his base year employers,
 70 a total amount of benefits equal to three-fourths of his base weeks from
 71 the employer in question multiplied by his weekly benefit rate; but the
 72 amount of benefits thus resulting under any determination made with re-
 73 spect to an employer shall be adjusted to the next higher multiple of one-
 74 half of said weekly benefit rate, if not already a multiple thereof.

75 (B) No such individual shall be entitled to receive benefits under this
 76 Title for more than twenty-six weeks in any benefit year under either of

77 subsections (c) and (f) of section 43:21-4 of this Title. In the event
 78 that any individual qualifies for benefits under both of said subsections
 79 during any benefit year, the maximum total amount of benefits payable
 80 under said subsections combined to such individual during the benefit
 81 year shall be one and one-half times the maximum amount of benefits
 82 payable under one of said subsections. For the purposes of this para-
 83 graph, any week for which an individual receives a half-payment as
 84 provided in paragraph (2) of subsection (b) of this section shall be
 85 counted as one-half of a week.

86 (C) If the full weekly benefit rate cannot be paid to an individual
 87 who is otherwise entitled thereto because the amount of unused benefits
 88 remaining under the applicable benefit determination is only one-half of
 89 said rate, he shall be paid that amount; but if such individual is entitled
 90 to additional benefits under a successive determination, he shall also be
 91 paid for the week in question an amount equal to one-half of his weekly
 92 benefit rate under said successive determination.

1 2. Section 43:21-4 of the Revised Statutes is amended to read as follows:

2 43:21-4. An unemployed individual [, totally or partially unemployed,]
 3 shall be eligible to receive benefits with respect to any week only if it appears
 4 that:

5 (a) He has registered for work at, and thereafter continued to report
 6 at, an employment office in accordance with such regulations as the [commis-
 7 sion] division may prescribe, except that the [commission] division may, by
 8 regulation, waive or alter either or both of the requirements of this subsec-
 9 tion as to individuals attached to regular jobs, and as to such other types of
 10 cases or situations with respect to which the [commission] division finds
 11 that compliance with such requirements would be oppressive, or would be in-
 12 consistent with the purpose of this act; *provided*, that no such regulation
 13 shall conflict with subsection (a) of section 43:21-3 of [the Revised Statutes]
 14 this Title.

15 (b) He has made a claim for benefits in accordance with the provisions
16 of subsection (a) of section 43:21-6 of this Title.

17 (c) He is able to work, is available for work, and has demonstrated that
18 he is actively seeking work, except as provided in subsection (f) of this sec-
19 tion; provided, that the director may, in his discretion, modify the require-
20 ment of actively seeking work if, in his judgment, such modification of this
21 requirement is warranted by economic conditions;

22 (d) 【Prior to the first week for which he claims benefits in any benefit
23 year】 He has been totally or partially unemployed for a waiting period of
24 one week in 【that】 the benefit year which includes that week. When bene-
25 fits become payable with respect to the week next following the waiting
26 period, he shall be eligible to receive benefits as appropriate with respect to
27 the waiting period. No week shall be counted as a week of unemployment for
28 the purposes of this subsection:

29 (1) if benefits have been paid, or are payable with respect thereto; pro-
29A vided, that the requirements of this paragraph shall be waived with respect to
29B any benefits paid or payable for a waiting period as provided in this subsection;

29C (2) if it has constituted a waiting period week under the Temporary Dis-
29D ability Benefits Law;

29E (3) unless the individual fulfills the requirements of subsections (a) and
29F (c) of this section.

29G (4) if it has constituted a week with respect to which it is found that his
29H unemployment was due to a stoppage of work which exists because of a labor
29I dispute, in accordance with the provisions of subsection (d) of section
29J 43:21-5 of this Title.

30 (e) With respect to a base year as defined in paragraph (1) of subsec-
31 tion (c) of section 43:21-19 of this Title, 【His】 his wages within 【his】 such
32 base year were not less than twenty-five times his weekly benefit amount. With
33 respect to a base year as defined in paragraph (2) of subsection (c) of sec-

tion 43:21-19 of this Title, he has established at least seventeen base weeks
as defined in subsection (t) of section 43:21-19 of this Title.

(f) He has suffered any accident or sickness not compensable under the workmen's compensation law (Title 34 of the Revised Statutes) and resulting in his total disability to perform any work for remuneration, and would be eligible to receive benefits under this chapter (without regard to the maximum amount of benefits payable during any benefit year) except for his inability to work and has furnished notice and proof of claim to the [commission] division, in accordance with its rules and regulations, and payment is not precluded by the provisions of subsection (g) hereof or of section 43:21-3(d) of this Title. Such benefit payments shall be charged to and paid from the State disability benefits fund established by the Temporary Disability Benefits Law, and shall not be charged to any employer account in computing any employer's experience rate for contributions payable under this chapter.

(g) No benefits shall be payable under subsection (f) above to any individual:

(1) for any period during which such individual is not under the care of a legally licensed physician [;], dentist or chiropodist;

(2) for any period of disability due to pregnancy or resulting childbirth, miscarriage, or abortion;

(3) for any period of disability due to willfully or intentionally self-inflicted injury, or to injuries sustained in the perpetration by the individual of a high misdemeanor;

(4) for any week with respect to which or a part of which he has received or is seeking [unemployment] benefits under any unemployment compensation or disability benefit law of any other State or of the United States; *provided*, that if the appropriate agency of such other State or of the United States finally determines that he is not entitled to such benefits, this disqualification shall not apply;

64 (5) for the two weeks immediately following detachment from any
 65 maritime services performed under shipping articles;

66 (6) for any week with respect to which or part of which he has received
 67 or is seeking disability benefits under the Temporary Disability Benefits Law;

68 (7) for any period of disability commencing prior to January first, one
 69 thousand nine hundred and forty-nine, or for any period of disability com-
 70 mencing while such individual is a "covered individual" as defined in subsec-
 71 tion three (b) of the Temporary Disability Benefits Law (chapter 110, P. L.
 72 1948), or after the expiration of twenty-six consecutive weeks during which
 73 the individual has been unemployed [and ineligible or disqualified for bene-
 74 fits for such unemployment].

75 (h) Notwithstanding any other provision of this chapter, the director
 76 may, to the extent that he deems efficient and economical, provide for con-
 77 solidated administration by one or more representatives or deputies of claims
 78 made pursuant to subsection (f) of this section with those made pursuant to
 79 article III (State plan) of the Temporary Disability Benefits Law.

1 3. Section 43:21-6 of the Revised Statutes is amended to read as fol-
 2 lows:

3 43:21-6. (a) Filing. Claims for benefits shall be made in accordance with
 4 such regulations as the Director of the Division of Employment Security of
 5 the Department of Labor and Industry of the State of New Jersey may ap-
 6 prove. Each employer shall post and maintain on his premises printed no-
 7 tices of his subject status, of such design, in such numbers, and at such places
 8 as the director of the division may determine to be necessary to give notice
 9 thereof to persons in the employer's service. Each employer shall give to each
 10 individual at the time he becomes unemployed a printed copy of benefit in-
 11 structions. Both the aforesaid notices and instructions shall be supplied by
 12 the division to employers without cost to them.

13 (b) (1) Procedure for making determinations with respect to benefit
 14 years commencing prior to January first, one thousand nine hundred and
 15 fifty-three. (A) Initial determinations. The director of the division shall

16 designate a representative or representatives to promptly examine the claims
17 and to determine which claims do and which claims do not meet the require-
18 ments of section 4 (e); and as to those claims meeting the requirements of sec-
19 tion 4 (e) to further determine the weekly benefit rates and the maximum total
20 benefits payable. Each claimant shall promptly be notified of the determina-
21 tion of his claim.

22 **[(2)]** (B) Weekly determinations. The director of the division shall as-
23 sign a representative or representatives to each local claims office for the pur-
24 pose of making weekly determinations (except those under subsections 4 (f)
25 and 5 (d)) in the course of the benefit year, in accordance with the initial deter-
26 mination of a valid claim. Whenever a determination of eligibility shall be
27 made with respect to the first week of the benefit year for which benefits are
28 claimed, the claimant, the last employing unit and all employers in the base
29 year shall be promptly notified of such determination. Whenever a determina-
30 tion of ineligibility or disqualification shall be made with respect to any week
31 of the benefit year, the claimant shall be promptly notified of such determina-
32 tion.

33 **[(3)]** (C) Any claimant or any interested entity or person may file an
34 appeal from any determination under paragraphs (1) and (2) of this subsec-
35 tion within five calendar days after the delivery of notification, or within seven
36 calendar days after the mailing of notification, of such determination. Un-
37 less such an appeal is filed such determination shall be final and benefits shall
38 be paid or denied in accordance therewith. If an appeal is duly filed, benefits
39 with respect to the period covered by the appeal shall be payable only after
40 a determination of entitlement by the appellate tribunal; benefits payable for
41 periods pending an appeal and not in dispute shall be paid as such benefits
42 accrue; *provided*, that insofar as any such appeal is or may be an appeal from
43 a determination to the effect that the claimant is disqualified under the pro-
44 visions of section 43:21-5 of the Revised Statutes or any amendments thereof
45 or supplements thereto, benefits pending determination of the appeal shall be
46 withheld only for the period of disqualification as provided for in said section,
47 and notwithstanding such appeal the benefits otherwise provided by this act

48 shall be paid for the period subsequent to such period of disqualification;
 49 *and provided, also*, that if there are two determinations of entitlement, bene-
 50 fits for the period covered by such determinations shall be paid regardless of
 51 any appeal which may thereafter be taken, but no employer's account shall
 52 be charged with benefits so paid if the decision is finally reversed.

53 (2) Procedure for making initial determinations with respect to benefit
 54 years commencing on or after January first, one thousand nine hundred and
 55 fifty-three.

56 A representative or representatives designated by the director of the di-
 57 vision and hereinafter referred to as a "deputy" shall promptly examine the
 58 claim, and shall notify the most recent employing unit and, successively as
 59 necessary, each employer in inverse chronological order during the base year.
 60 Such notification shall require said employing unit and employer to furnish
 61 such information to the deputy as may be necessary to determine the claim-
 62 ant's eligibility and his benefit rights with respect to the employer in ques-
 63 tion, and such notification shall also provide the most recent chargeable em-
 64 ployer in the base year with the name and address of the most recent employ-
 65 ing unit of the claimant. All information transmitted to the director or his
 66 deputy pursuant to this section shall be privileged and shall not be made the
 67 subject matter or basis in any action of slander or libel in any court.

68 In his discretion, the director may appoint special deputies to make initial
 69 or subsequent determinations under subsections 4(f) and 5(d) of this chapter.

70 If any employer or employing unit fails to respond to the request for in-
 71 formation within seven days after the mailing of such request, the deputy may
 72 rely entirely on information from other sources, including an affidavit to the
 73 best of the knowledge and belief of the claimant with respect to his wages
 74-75 and time worked.

76 The deputy shall promptly make an initial determination based upon the
 77 available information. The initial determination shall show the weekly benefit

78 amount payable, the maximum duration of benefits with respect to the em-
 79 ployer to whom the determination relates, and also shall show whether the
 80 claimant is ineligible or disqualified for benefits under the initial determina-
 81 tion. The claimant and the employer whose account may be charged for
 82 benefits payable pursuant to said determination shall be promptly notified
 83 thereof.

84 Whenever an initial determination is based upon information other than
 85 that supplied by an employer because such employer failed to respond to the
 86 deputy's request for information, such initial determination and any subse-
 87 quent determination thereunder shall be incontestable by the noncomplying
 88 employer, as to any charges to his employer's account because of benefits paid
 89 prior to the close of the calendar week following the receipt of his reply. Such
 90 initial determination shall be altered if necessary upon receipt of informa-
 91 tion from the employer, and any benefits paid or payable with respect to
 92 weeks occurring subsequent to the close of the calendar week following the
 93 receipt of the employer's reply shall be paid in accordance with such altered
 93A initial determination.

94 The deputy shall issue a separate initial benefit determination with re-
 95 spect to each of the claimant's base year employers, starting with the most
 96 recent employer and continuing as necessary in the inverse chronological
 97 order of the claimant's last date of employment with each such employer. If
 97A an appeal is taken from an initial determination as hereinafter provided by
 97B any employer other than the first chargeable base-year employer, then such
 97C appeal shall be limited in scope to include only one or more of the following
 97D matters:

97E (A) the correctness of the benefit payments authorized to be made
 97F under the determination;
 97G (B) fraud in connection with the claim pursuant to which the initial
 97H determination is issued; or

97_r (C) the refusal of suitable work offered by the chargeable em-
 97_r ployer filing the appeal.

98 The amount of benefits payable under an initial determination may be re-
 99 duced or canceled if necessary to avoid payment of benefits for a number of
 100 weeks in excess of the maximum specified in paragraph (2) of subsection (d)
 101 of section 43:21-3 of this Title.

102 Unless the claimant or any interested party within seven calendar days
 103 after delivery of notification of an initial determination or within ten calendar
 104 days after such notification was mailed to his or their last-known address and
 105 addresses, files and appeal from such decision, such decision shall be final and
 106 benefits shall be paid or denied in accordance therewith, except for such de-
 107 terminations as may be altered in benefit amounts or duration as provided in
 108 this paragraph. If an appeal is duly filed, benefits with respect to the period
 109 covered by the appeal shall be payable only after a determination of entitle-
 110 ment by the appellate tribunal; benefits payable for periods pending an ap-
 111 peal and not in dispute shall be paid as such benefits accrue; *provided*, that
 112 insofar as any such appeal is or may be an appeal from a determination to
 113 the effect that the claimant is disqualified under the provisions of section
 114 43:21-5 of the Revised Statutes or any amendments thereof or supplements
 115 thereto, benefits pending determination of the appeal shall be withheld only
 116 for the period of disqualification as provided for in said section, and not-
 117 withstanding such appeal the benefits otherwise provided by this act shall be
 118 paid for the period subsequent to such period of disqualification; *and pro-*
 119 *vided, also*, that if there are two determinations of entitlement, benefits for
 120 the period covered by such determinations shall be paid regardless of any ap-
 121 peal which may thereafter be taken, but no employer's account shall be
 121_A charged with benefits so paid if the decision is finally reversed.

122 (3) Procedure for making initial determinations in certain cases of con-
 123 current employment, with respect to benefit years commencing on or after
 124 January first, one thousand nine hundred and fifty-three.

125 Notwithstanding any other provisions of this Title, if an individual shows
126 to the satisfaction of the deputy that there were at least thirteen weeks in his
127 base period in each of which he earned wages from two or more employers
128 totaling fifteen dollars (\$15.00) or more but in each of which there was no
129 single employer from whom he earned as much as fifteen dollars (\$15.00),
130 then such individual's claim shall be determined in accordance with the special
131 provisions of this paragraph. In such case, the deputy shall determine the
132 individual's eligibility for benefits, his average weekly wage, weekly benefit
133 rate and maximum total benefits as if all his base year employers were a single
134 employer. Such determination shall apportion the liability for benefit charges
135 thereunder to the individual's several base year employers so that each em-
136 ployer's maximum liability for charges thereunder bears approximately the
137 same relation to the maximum total benefits allowed as the wages earned by
138 the individual from each employer during the base year bears to his total
139 wages earned from all employers during the base year. Such initial deter-
140 mination shall also specify the individual's last date of employment within
141 the base year with respect to each base year employer, and such employers
142 shall be charged for benefits paid under said initial determination in the in-
143 verse chronological order of such last dates of employment.

144 (4) Procedure for making subsequent determinations with respect to
145 benefit years commencing on or after January first, one thousand nine
146 hundred and fifty-three. The deputy shall make determinations with respect
147 to claims for benefits thereafter in the course of the benefit year in accord-
148 ance with any initial determination allowing benefits, and under which bene-
149 fits have not been exhausted, and each notification of a benefit payment shall
150 be a notification of an affirmative subsequent determination. The allowance
151 of benefits by the deputy on any such determination, or the denial of
152 benefits by the deputy on any such determination, shall be appealable in
153 the same manner and under the same limitations as is provided in the
153A case of initial determinations.

154 (c) Appeals. Unless such appeal is withdrawn, an appeal tribunal, after
155 affording the parties reasonable opportunity for fair hearing, shall affirm or
156 modify the findings of fact and the determination. The parties shall be duly
157 notified of such tribunal's decision, together with its reasons therefor, which
158 shall be deemed to be the final decision of the board of review, unless within
159 ten days after the date of notification or mailing of such decision, further ap-
160 peal is initiated pursuant to subsection (e) of this section.

161 (d) Appeal tribunals. To hear and decide disputed benefit claims, includ-
162 ing appeals from determinations with respect to demands for refunds of bene-
163 fits under section 43:21-16 (d) of this chapter (R. S. 43:21-1 et seq.), the di-
164 rector with the approval of the Commissioner of Labor and Industry shall es-
165 tablish one or more impartial appeal tribunals consisting in each case of either
166 a salaried examiner or a body, consisting of three members, one of whom shall
167 be a salaried examiner, who shall serve as chairman, one of whom shall be a
168 representative of employers and the other of whom shall be a representative
169 of employees; each of the latter two members shall serve at the pleasure of
170 the commissioner and be paid a fee of not more than twenty dollars (\$20.00)
171 per day of active service on such tribunal plus necessary expenses. No per-
172 son shall participate on behalf of the division in any case in which he is an
173 interested party. The director may designate alternates to serve in the ab-
174 sence or disqualification of any member of an appeal tribunal. The chairman
175 shall act alone in the absence or disqualification of any other member and
176 his alternates. In no case shall the hearings proceed unless the chairman of
177 the appeal tribunal is present.

178 (e) Board of review. The board of review may on its own motion affirm,
179 modify, or set aside any decision of an appeal tribunal on the basis of the
180 evidence previously submitted in such case, or direct the taking of additional
181 evidence, or may permit any of the parties to such decision to initiate further
182 appeals before it. The board of review shall permit such further appeal by any
183 of the parties interested in a decision of an appeal tribunal which is not unani-
184 mous and from any determination which has been overruled or modified by

185 any appeal tribunal. The board of review may remove to itself or transfer to
186 another appeal tribunal the proceedings on any claim pending before an ap-
187 peal tribunal. Any proceeding so removed to the board of review shall be
188 heard by a quorum thereof in accordance with the requirements of subsec-
189 tion (c) of this section. The board of review shall promptly notify the in-
190 terested parties of its findings and decision.

191 (f) Procedure. The manner in which disputed benefit claims, and ap-
192 peals from determinations with respect to (1) claims for benefits and (2) de-
193 mands for refunds of benefits under section 43:21-16 (d) of this chapter (R. S.
194 43:21-1 et seq.) shall be presented, the reports thereon required from the
195 claimant and from employers, and the conduct of hearings and appeals shall
196 be in accordance with rules prescribed by the board of review for determin-
197 ing the rights of the parties, whether or not such rules conform to common
198 law or statutory rules of evidence and other technical rules of procedure. A
199 full and complete record shall be kept of all proceedings in connection with
200 a disputed claim. All testimony at any hearing upon a disputed claim shall
201 be recorded, but need not be transcribed unless the disputed claim is further
202 appealed.

203 (g) Witness fees. Witnesses subpoenaed pursuant to this section shall
204 be allowed fees at a rate fixed by the director. Such fees and all expenses of
205 proceedings involving disputed claims shall be deemed a part of the expense
206 of administering this chapter (R. S. 43:21-1 et seq.).

207 [(h) Appeal to courts. Any decision of the board of review in the ab-
208 sence of an appeal therefrom as herein provided shall become final ten days
209 after the date of notification or mailing thereof, and judicial review thereof
210 shall be permitted only after any party claiming to be aggrieved thereby
211 has exhausted his remedies before the board of review as provided by this
212 chapter (R. S. 43:21-1 et seq.). The board of review shall be deemed to be
213 a party to any judicial action involving any such decision, and may be repre-
214 sented in any such judicial action by any qualified attorney who may be a
215 regular salaried employee of the board of review or has been designated by

216 it for that purpose, or at the board of review's request, by the Attorney-Gen-
217 eral.】

218 (h) Court review. Any decision of the board of review shall become final
219 as to any party upon the mailing of a copy thereof to such party at his last-
220 known address. The Division of Employment Security and any party to a pro-
221 ceeding before the board of review may secure judicial review of the final de-
222 cision of the board of review. Any party not joining in the appeal shall be
223 made a defendant; the board of review shall be deemed to be a party to any
224 judicial action involving the review of, or appeal from, any of its decisions,
225 and may be represented in any such judicial action by any qualified attorney
226 who may be a regular salaried employee of the board of review or has been
227 designated by it for that purpose, or, at the board of review's request, by the
228 Attorney-General.

229 【(i) Court review. Within ten days after the decision of the board of
230 review has become final, any party aggrieved thereby may secure judicial re-
231 view thereof by a proceeding in lieu of the prerogative writs, in which action
232 any other party to the proceeding before the board of review shall be made
233 a defendant.】

234 【(j)】 (i) Failure to give notice. The failure of any public officer or em-
235 ployee at any time heretofore or hereafter to give notice of determination
236 or decision required in subsections (b), (c) and (e) of this section, as
237 originally passed or amended, shall not relieve any employer's account of any
238 charge by reason of any benefits paid unless and until that employer can
239 show to the satisfaction of the director of the division that the said benefits,
240 in whole or in part, would not have been charged or chargeable to his account
241 had such notice been given. Any determination hereunder by the director
242 shall be subject to court review.

1 4. Section 43:21-7 of the Revised Statutes is amended to read as
2 follows:

3 43:21-7. (a) Payment.

4 (1) **【On and after December first, one thousand nine hundred and thirty-**
 5 **six, contributions】** Contributions shall accrue and become payable by each em-
 6 ployer for each calendar year in which he is subject to this chapter, with re-
 7 spect to having individuals in his employ during such calendar year at the
 8 rates and on the basis hereinafter set forth **【, except that for the month of**
 9 **December, one thousand nine hundred and thirty-six, such contributions**
 10 **shall accrue and become payable with respect to having individuals in his**
 11 **employ during the months of December, one thousand nine hundred and**
 12 **thirty-six】**. Such contributions shall become due and be paid by each em-
 13 ployer to the Division of Employment Security for the fund in accordance
 14 with such regulations as may be prescribed, and shall not be deducted, in
 15 whole or in part, from the remuneration of individuals in his employ.

15A (2) In the payment of any contributions, a fractional part of a cent shall
 16 be disregarded unless it amounts to one-half cent (\$0.005) or more, in which
 17 case it shall be increased to one cent (\$0.01).

18 (b) Rate of contributions. Each employer shall pay the following con-
 19 tributions:

20 **【(1) Ten and eight-tenths per centum (10 8/10%) of wages payable with**
 21 **respect to employment during the month of December, one thousand nine**
 22 **hundred and thirty-six and paid prior to January first, one thousand nine**
 23 **hundred and forty-seven; *provided*, that if the total of such contributions at**
 24 **such ten and eight-tenths per centum (10 8/10%) rate equals less than nine-**
 25 **tenths of one per centum (9/10 of 1%) of the annual payroll of any**
 26 **employer payable for the calendar year one thousand nine hundred and**
 27 **thirty-six, such employer shall pay, not later than January twenty-fifth, one**
 28 **thousand nine hundred and thirty-seven, an additional lump-sum contribution**
 29 **with respect to employment for such one month's period beginning Decem-**
 30 **ber first, one thousand nine hundred and thirty-six, equal to the difference**
 31 **between nine-tenths of one per centum (9/10 of 1%) of his annual payroll**
 32 **payable for the calendar year one thousand nine hundred and thirty-six and**

33 the total of his contributions at such ten and eight-tenths per centum
 34 (10 8/10%) for such one month's period beginning December first, one thou-
 35 sand nine hundred and thirty-six; *and provided further*, that the total of
 36 such contributions with respect to employment for such one month's period
 37 beginning December first, one thousand nine hundred and thirty-six, shall
 38 not exceed nine-tenths of one per centum (9/10 of 1%) of such employer's
 39 annual payroll payable for the calendar year one thousand nine hundred and
 40 thirty-six.

41 (2) One and eight-tenths per centum (1 8/10%) of wages payable with
 42 respect to employment during the calendar year one thousand nine hundred
 43 and thirty-seven and paid prior to January first, one thousand nine hundred
 44 and forty-seven;

45 (3) Two and seven-tenths per centum (2 7/10%) of wages payable with
 46 respect to employment during the calendar years one thousand nine hundred
 47 and thirty-eight, one thousand nine hundred and thirty-nine, one thousand
 48 nine hundred and forty and one thousand nine hundred and forty-one and
 49 paid prior to January first, one thousand nine hundred and forty-seven; and,
 50 except as otherwise prescribed by subsection (c) of this section, also during
 51 the calendar years one thousand nine hundred and forty-two to one thousand
 52 nine hundred and forty-six, inclusive, and paid prior to January first, one
 53 thousand nine hundred and forty-seven; and]

54 [(4)] (1) For the calendar year one thousand nine hundred and forty-
 55 seven, and each calendar year thereafter, two and seven-tenths per centum
 56 (2 7/10%) of wages paid by him during each such calendar year, except as
 57 otherwise prescribed by subsection (c) of this section.

58 [(5)] (2) The "wages" of any individual, with respect to any one em-
 59 ployer as the term is used in this subsection (b) and in subsections (c), (d)
 60 and (e) of this section seven, shall include [:]

61 [(A) All remuneration payable for the month of December, one
 62 thousand nine hundred and thirty-six, and for the calendar years one
 63 thousand nine hundred and thirty-seven, one thousand nine hundred and

64 thirty-eight, one thousand nine hundred and thirty-nine, and paid prior
 65 to January first, one thousand nine hundred and forty-seven;

66 (B) The first three thousand dollars (\$3,000.00) earned for each of
 67 the calendar years one thousand nine hundred and forty to one thou-
 68 sand nine hundred and forty-six, inclusive, and paid prior to January
 69 first, one thousand nine hundred and forty-seven; and]

70 [(C) The] the first three thousand dollars (\$3,000.00) paid during
 71 the calendar year one thousand nine hundred and forty-seven and during
 72 each calendar year thereafter, for services either within or without this
 73 State; provided, that no contribution shall be required by this State with
 74 respect to services performed in another State if such other State im-
 75 poses contribution liability with respect thereto. If an employer (here-
 76 inafter referred to as successor employer) during any calendar year
 77 acquires substantially all the property used in a trade or business of
 78 another employer (hereinafter referred to as a predecessor), or used in
 79 a separate unit of a trade or business of a predecessor, and immediately
 80 after the acquisition employs in his trade or business an individual who
 81 immediately prior to the acquisition was employed in the trade or busi-
 82 ness of such predecessor, then, for the purpose of determining whether
 83 the successor employer has paid wages with respect to employment equal
 84 to three thousand dollars (\$3,000.00) to such individual during such cal-
 85 endar year, any wages paid to such individual by such predecessor during
 86 such calendar year and prior to such acquisition shall be considered as
 87 having been paid by such successor employer.

88 (c) Future rates based on benefit experience: (1) A separate account
 89 for each employer shall be maintained and this shall be credited with all the
 90 contributions which he has paid on his own behalf on or before January
 91 thirty-first of any calendar year with respect to employment occurring in
 92 preceding calendar years. But nothing in this chapter shall be construed to
 93 grant any employer or individuals in his service prior claims or rights to

94 the amounts paid by him into the fund either on his own behalf or on behalf
95 of such individuals. Benefits paid with respect to benefit years commencing
96 prior to January first, one thousand nine hundred and fifty-three, to any indi-
97 vidual on or before January thirty-first of any calendar year with respect to
98 unemployment in preceding calendar years shall be charged against the
99 account of each of the employers with whom such individual accrued the
100 wage credits constituting the basis of such benefits, in the same proportion
101 as such wage credits with each such employer bear to such wage credits with
102 all such employers. The Division of Employment Security shall furnish to each
103 employer at such frequency as the division shall, by regulation, prescribe,
104 but in no case less frequently than annually, a detailed statement of benefits
105 charged to his account. Benefits paid with respect to benefit years commenc-
106 ing on and after January first, one thousand nine hundred and fifty-three, to
107 any individual on or before January thirty-first of any calendar year with re-
108 spect to unemployment in preceding calendar years shall be charged against
109 the account or accounts of the employer or employers in whose employment
110 such individual established base weeks constituting the basis of such bene-
111 fits. Benefits paid under a given benefit determination shall be charged
112 against the account of the employer to whom such determination relates.
113 When each benefit payment is made the division shall promptly send either a
114 copy of the benefit check or other form of notification to the employer against
115 whose account the benefits are to be charged. Such copy of notification shall
116 identify the employer against whose account the amount of such payment is
117 being charged, shall show at least the name and social security account num-
118 ber of the claimant and shall specify the period of unemployment to which
119 said check applies. If the total amount of benefits paid to a claimant and
120 charged to the account of the appropriate employer exceeds fifty per centum
121 (50%) of the total base-year wages paid to the claimant by that employer,
122 then such employer may apply to the division to have canceled from his ac-
123 count such excess benefit charges as specified above. Any such application

124 for the cancellation of excess charges shall be submitted by the employer
124A within six months from the date of the benefit check, payment of which cre-
124B ates such charges. In no event will the erasure of such charges affect a con-
124C tribution rate already assigned to the employer with respect to any fiscal
124D year commencing prior to the date the application is received by the division.

125 The division shall furnish to each employer an annual summary state-
126 ment of benefits charged to his account.

127 (2) The Division of Employment Security may prescribe regulations for
128 the establishment, maintenance, and dissolution of joint accounts by two or
129 more employers, and shall, in accordance with such regulations and upon ap-
130 plication by two or more employers to establish such an account, or to merge
131 their several individual accounts in a joint account, maintain such joint
132 account as if it constituted a single employer's account.

133 (3) Each employer's rate shall be two and seven-tenths per centum
134 (2 7/10%), except as otherwise provided in the following provisions: No
135 employer's rate shall be other than two and seven-tenths per centum
136 (2 7/10%) unless and until there shall have been three calendar years
137 throughout which any individual in his employ could have received benefits if
138 eligible. No employer's rate shall be lower than two and seven-tenths per
139 centum (2 7/10%) unless assignment of such lower rate is consistent with the
140 conditions applicable to additional credit allowance for such year under
141 section 1602 (a) (1) of the Internal Revenue Code (U. S. Code Title 26,
142 section 1602 (a) (1)), any other provision of this section to the contrary
143 notwithstanding.

144 (4) Each employer's rate for the twelve months commencing July first
145 of any calendar year shall be determined on the basis of his record up to the
146 beginning of such calendar year. If, at the beginning of such calendar year,
147 the total of all his contributions, paid on his own behalf, for all past years
148 exceeds the total benefits charged to his account for all such years, his con-
149 tribution rate shall be:

150 (A) Two and four-tenths per centum ($2\frac{4}{10}\%$), if such excess
 151 equals or exceeds four per centum (4%), but is less than five per centum
 152 (5%) of his average annual payroll (as defined in paragraph (2), sub-
 153 section (a) of section 43:21-19 of this Title);

154 (B) Two and one-tenth per centum ($2\frac{1}{10}\%$), if such excess equals
 155 or exceeds five per centum (5%), but is less than six per centum (6%)
 156 of his average annual payroll;

157 (C) One and eight-tenths per centum ($1\frac{8}{10}\%$), if such excess
 158 equals or exceeds six per centum (6%), but is less than seven per centum
 159 (7%) of his average annual payroll;

160 (D) One and five-tenths per centum ($1\frac{5}{10}\%$), if such excess equals
 161 or exceeds seven per centum (7%), but is less than eight per centum
 162 (8%) of his average annual payroll;

163 (E) One and two-tenths per centum ($1\frac{2}{10}\%$), if such excess equals
 164 or exceeds eight per centum (8%), but is less than nine per centum
 165 (9%), of his average annual payroll;

166 (F) Nine-tenths of one per centum ($\frac{9}{10}$ of 1%), if such excess
 167 equals or exceeds nine per centum (9%), but is less than ten per centum
 168 (10%), of his average annual payroll;

169 (G) Six-tenths of one per centum ($\frac{6}{10}$ of 1%), if such excess
 170 equals or exceeds ten per centum (10%), but is less than eleven per
 171 centum (11%), of his average annual payroll;

172 (H) Three-tenths of one per centum ($\frac{3}{10}$ of 1%), if such excess
 173 equals or exceeds eleven per centum (11%) of his average annual pay-
 174 roll.

175 If the total of his contributions, paid on his own behalf, for all past
 176 periods, or for the past one hundred twenty consecutive calendar months,
 177 whichever period is more advantageous to such employer for the purposes of
 178 this paragraph, is less than the total benefits charged against his account
 179 during the same period, his rate shall be three per centum (3%).

180 (5) (A) If on March thirty-first of any calendar year the balance in the
181 Unemployment Trust Fund equals or exceeds four per centum (4%) but is
182 less than seven per centum (7%) of the total taxable wages reported to the
183 division as of that date in respect to employment during the preceding
184 calendar year, the contribution rate, effective July first following, of each
185 employer eligible for a contribution rate calculation based upon benefit ex-
186 perience, shall be increased by three-tenths of one per centum ($3/10$ of 1%)
187 over the contribution rate otherwise established under the provisions of para-
188 graphs (3) or (4) of this subsection. If on March thirty-first of any calendar
189 year the balance of the Unemployment Trust Fund is less than four per centum
190 (4%) of the total taxable wages reported to the Division of Employment Secu-
191 rity as of that date in respect to employment during the preceding calendar
192 year, the contribution rate, effective July first following, of each employer eli-
193 gible for a contribution rate calculation based upon benefit experience, shall
194 be increased by six-tenths of one per centum ($6/10$ of 1%) over the contribu-
195 tion rate otherwise established under the provisions of paragraphs (3) or
196 (4) of this subsection; *provided*, that if on such March thirty-first, such bal-
197 ance is less than two and one-half per centum ($2\frac{1}{2}\%$) of such total taxable
198 wages, the contribution rate so effective, of any employer, shall be not less
199 than two and seven-tenths per centum ($2\frac{7}{10}\%$); *provided, further*, that the
200 contribution rate of any employer increased pursuant to the provisions of
201 this subparagraph, when so increased, shall not exceed three and six-tenths
202 per centum ($3\frac{6}{10}\%$).

203 (B) If on March thirty-first of any calendar year the balance in the Un-
204 employment Trust Fund equals or exceeds ten per centum (10%) but is less
205 than twelve and one-half per centum ($12\frac{1}{2}\%$) of the total taxable wages
206 reported to the Division of Employment Security as of that date in respect
207 to employment during the preceding calendar year, the contribution rate,
208 effective July first following, of each employer eligible for a contribu-
209 tion rate calculation based upon benefit experience, shall be reduced
210 by three-tenths of one per centum ($3/10$ of 1%) under the contribution

211 rate otherwise established under the provisions of paragraphs (3) and (4)
 212 of this subsection; *provided*, that in no event shall the contribution rate
 213 of any employer be reduced to less than three-tenths of one per centum
 214 ($\frac{3}{10}$ of 1%). If on March thirty-first of any calendar year the bal-
 215 ance in the Unemployment Trust Fund equals or exceeds twelve and one-
 216 half per centum ($12\frac{1}{2}\%$) of the total taxable wages reported to the
 217 division as of that date in respect to employment during the preceding
 218 calendar year, the contribution rate, effective July first following, of each
 219 employer eligible for a contribution rate calculation based upon benefit ex-
 220 perience, shall be reduced by six-tenths of one per centum ($\frac{6}{10}$ of 1%) if
 221 his account reflects an excess of contributions paid over total benefits charged
 222 of three per centum (3%) or more of his average annual payroll, otherwise
 223 by three-tenths of one per centum ($\frac{3}{10}$ of 1%) under the contribution rate
 224 otherwise established under the provisions of paragraphs (3) and (4) of this
 225 subsection; *provided*, that in no event shall the contribution rate of any em-
 226 ployer be reduced to less than three-tenths of one per centum ($\frac{3}{10}$ of 1%).

227 (6) Additional contributions.

228 Notwithstanding any other provision of law, any employer who has been
 229 assigned a contribution rate pursuant to subsection (c) of this section for the
 230 year commencing July first, one thousand nine hundred and forty-eight, and
 231 for any year commencing July first thereafter, may voluntarily make pay-
 232 ment of additional contributions, and upon such payment shall receive a
 233 recomputation of the experience rate applicable to such employer including
 234 in the calculation the additional contribution so made. Any such additional
 235 contribution shall be made during the thirty-day period following the date of
 236 the mailing to the employer of the notice of his contribution rate as prescribed
 237 in this section, unless, for good cause, the time for payment has been extended
 238 by the director for not to exceed an additional sixty days; *provided*, that in
 239 no event may such payments which are made later than one hundred twenty
 240 days after the beginning of the year for which such rates are effective be
 241 considered in determining the experience rate for the year in which the pay-

242 ment is made. Any employer receiving any extended period of time within
243 which to make such additional payment and failing to make such payment
244 timely shall pay, in addition to the required amount of additional payment,
245 a penalty of five per centum (5%) thereof or five dollars (\$5.00), whichever
246 is greater, not to exceed fifty dollars (\$50.00). Any adjustment under this
247 subsection shall be made only in the form of credits against accrued or future
248 contributions.

249 (7) Transfers.

250 An employer, who transfers his or its organization, trade, assets or busi-
251 ness, in whole or in part, to a successor in interest, whether by merger, consoli-
252 dation, sale, transfer, descent or otherwise, may jointly make application with
253 such successor in interest for transfer of the employment experience of the
254 predecessor employer to the successor in interest, including credit for past
255 years, contributions paid, annual payrolls, benefit charges, et cetera, applicable
256 to such predecessor employer. The Division of Employment Security may
257 allow such transfer of employment experience pursuant to regulations adopted
258 by the division, only if it finds that the employment experience of the pre-
259 decessor employer with respect to the organization, trade, assets or business,
260 or part thereof, as the case may be, which has been transferred, may be
261 considered indicative of the future employment experience of the successor
262 in interest. In the event of a part transfer of an employer's organization,
263 trade, assets or business, only that portion of the employment experience
264 relating to the portion of the organization, trade, assets or business trans-
265 ferred shall be transferred, and credit shall be given to the successor in
266 interest only for the years during which contributions were paid by the pre-
267 decessor employer with respect to that part of the organization, trade, assets
268 or business transferred. A transfer of the employment experience in whole
269 or in part having been applied for and approved by the Division of Employ-
270 ment Security, the predecessor employer thereafter shall not be entitled to
271 consideration for an adjusted rate based upon his or its experience or the
272 part thereof, as the case may be, which has thus been transferred. A suc-

273 cessor in interest to whom employment experience or a part thereof is trans-
274 ferred pursuant to this subsection shall, as of the date of the transfer of
275 the organization, trade, assets or business, or part thereof, immediately be-
276 come an employer if not theretofore an employer subject to this chapter.

277 (d) (1) Contribution of workers; transfer to temporary disability bene-
278 fit fund.

279 **[(1)]** (A) Each worker shall contribute to the fund one per centum
280 (1%) of his wages paid by an employer with respect to his employment which
281 occurs after December thirty-first, one thousand nine hundred and thirty-
282 seven, and prior to January first, one thousand nine hundred and fifty-three,
282A and after such employer has satisfied the conditions set forth in subsection
283 (h) of section 43:21-19 of this Title with respect to becoming an employer;
284 *provided, however,* that such contribution shall be at the rate of one-fourth
285 of one per centum ($\frac{1}{4}$ of 1%) of wages paid with respect to employment on
286 and after January first, one thousand nine hundred and forty-nine, while the
287 worker is covered by an approved private plan under the Temporary Dis-
288 ability Benefits Law or while the worker is exempt from the provisions of
289 the Temporary Disability Benefits Law under section seven of that law. Each
290 employer shall, notwithstanding any provisions of the law in this State to the
291 contrary, withhold in trust the amount of his workers' contributions from
292 their wages at the time such wages are paid, shall show such deduction of
293 his payroll records, shall furnish such evidence thereof to his workers as the
294 division may prescribe, and shall transmit all such contributions, in addi-
295 tion to his own contributions, to the office of the Division of Employment
296 Security in such manner and at such times as may be prescribed. If
297 any employer fails to deduct the contributions of any of his workers at the
298 time their wages are paid, or fails to make a deduction therefor at the
299 time wages are paid for the next succeeding payroll period, he alone shall
300 thereafter be liable for such contributions, and for the purposes of section
301 43:21-14 of this Title, such contributions shall be treated as employer's con-
302 tributions required from him. As used in this chapter, except when the

303 context clearly requires otherwise, the term "contributions" shall include
 304 the contributions of workers pursuant to this section.

305 (B) Each worker shall contribute to the fund three-fourths of one per
 306 centum ($\frac{3}{4}$ of 1%) of his wages paid by an employer with respect to his em-
 307 ployment which occurs on and after January first, one thousand nine hundred
 308 and fifty-three, and after such employer has satisfied the conditions set forth
 309 in subsection (h) of section 43:21-19 of this Title with respect to becoming an
 310 employer; *provided, however*, that such contribution shall be at the rate of
 311 one-fourth of one per centum ($\frac{1}{4}$ of 1%) of wages paid with respect to em-
 312 ployment while the worker is covered by an approved private plan under the
 313 Temporary Disability Benefits Law or while the worker is exempt from the
 314 provisions of the Temporary Disability Benefits Law under section seven of
 315 that law. Each employer shall, notwithstanding any provisions of law in this
 316 State to the contrary, withhold in trust the amount of his workers' contribu-
 317 tions from their wages at the time such wages are paid, shall show such
 318 deduction of his payroll records, shall furnish such evidence thereof to his
 319 workers as the division may prescribe, and shall transmit all such contribu-
 320 tions, in addition to his own contributions, to the office of the Division of Em-
 321 ployment Security in such manner and at such times as may be prescribed.
 322 If any employer fails to deduct the contributions of any of his workers at the
 323 time their wages are paid, or fails to make a deduction therefor at the time
 324 wages are paid for the next succeeding payroll period, he alone shall there-
 325 after be liable for such contributions, and for the purpose of section 43:21-14
 326 of this Title, such contributions shall be treated as employer's contributions
 327 required from him. As used in this chapter, except when the context clearly
 328 requires otherwise, the term "contributions" shall include the contributions
 329 of workers pursuant to this section.

330 (2) (A) There shall be deposited in and credited to the State disability
 331 benefits fund, as the same shall be established by law, three-quarters of all

332 worker contributions, received by the Division of Employment Security pur-
 333 suant to subparagraph (A) of paragraph (1) above on and after [April]
 334 June first, one thousand nine hundred and forty-eight, [or the date this sub-
 335 paragraph takes effect, whichever is later,] with respect to wages upon which
 336 the rate of contributions is one per centum (1%) as provided in subparagraph
 337 (A) of paragraph (1) above.

338 (B) There shall be deposited in and credited to the State disability bene-
 339 fits fund, as the same shall be established by law, two-thirds of all worker
 340 contributions, received by the Division of Employment Security pursuant to
 341 subparagraph (B) of paragraph (1) above after December thirty-first, one
 342 thousand nine hundred and fifty-two, with respect to wages upon which the
 343 rate of contributions is three-fourths of one per centum ($\frac{3}{4}$ of 1%) as pro-
 344 vided in subparagraph (B) of paragraph (1) above.

345 (3) (A) If an employee receives wages from more than one employer
 346 during any calendar year after the calendar year one thousand nine hundred
 347 and fifty and prior to the calendar year one thousand nine hundred and fifty-
 348 three, and either the sum of his contributions deposited in and credited to the
 349 State disability benefits fund (in accordance with subparagraph [(d)] (A)
 350 of paragraph (2) [hereof] of this subsection) plus the amount of his con-
 351 tributions, if any, required towards the cost of benefits under one or more
 352 approved private plans under the provisions of section nine of the "Tem-
 353 porary Disability Benefits Law" and deducted from his wages, or the sum
 354 of such latter contributions if the employee is covered, during such calendar
 355 year, only by two or more private plans, exceeds twenty-two dollars and fifty
 356 cents (\$22.50), the employee shall be entitled to a refund of the excess if he
 357 makes claim to the Division of Employment Security within two years after
 358 the end of the calendar year in which the wages are received with respect to
 359 which the refund is claimed and establishes his right to such refund. Such
 360 refund shall be made by the Division of Employment Security from the State
 361 disability benefits fund. No interest shall be allowed or paid with respect to

362 any such refund. The division shall, in accordance with prescribed regula-
 363 tions, determine the portion of the aggregate amount of such refunds made
 364 during any calendar year which is applicable to private plans for which de-
 365 ductions were made under section nine of the "Temporary Disability Bene-
 366 fits Law," such determination to be based upon the ratio of the amount of
 367 such wages exempt from contributions to such fund as provided in subpara-
 368 graph [(d)] (A) of paragraph (1) of this subsection with respect to coverage
 369 under private plans to the total wages so exempt plus the amount of such
 370 wages subject to contributions to the disability benefits fund as provided in
 371 subparagraph [(d)] (A) of paragraph (2) of this subsection. The division
 372 shall, in accordance with prescribed regulations, prorate the amount so deter-
 373 mined among the applicable private plans in the proportion that the wages
 374 covered by each plan bears to the total private plan wages involved in such
 375 refunds, and shall assess against and recover from the employer, or the
 376 insurer if the insurer has indemnified the employer with respect thereto, the
 377 amount so prorated. The provisions of Revised Statutes, section 43:21-14
 378 with respect to collection of employer contributions shall apply to such assess-
 379 ments. The amounts so recovered by the division shall be paid into the State
 380 disability benefits fund.

381 (B) If an employee receives wages from more than one employer during
 382 any calendar year commencing with the calendar year one thousand nine hun-
 383 dred and fifty-three, and either the sum of his contributions deposited in and
 384 credited to the State disability benefits fund (in accordance with subpara-
 385 graph (B) of paragraph (2) of this subsection) plus the amount of his con-
 386 tributions, if any, required towards the cost of benefits under one or more
 387 approved private plans under the provisions of section nine of the Temporary
 388 Disability Benefits Law and deducted from his wages, or the sum of such
 389 latter contributions if the employee is covered, during such calendar year,
 390 only by two or more private plans, exceeds fifteen dollars (\$15.00), the em-
 391 ployee shall be entitled to a refund of the excess if he makes claim to the

392 Division of Employment Security within two years after the end of the calen-
393 dar year in which the wages are received with respect to which the refund is
394 claimed and establishes his right to such refund. Such refund shall be made
395 by the Division of Employment Security from the State disability benefits
396 fund. No interest shall be allowed or paid with respect to any such refund.
397 The division shall, in accordance with prescribed regulations, determine the
398 portion of the aggregate amount of such refunds made during any calendar
399 year which is applicable to private plans for which deductions were made
400 under section nine of the "Temporary Disability Benefits Law," such deter-
401 mination to be based upon the ratio of the amount of such wages exempt from
402 contributions to such fund as provided in subparagraph (B) of paragraph (1)
403 of this subsection with respect to coverage under private plans to the total
404 wages so exempt plus the amount of such wages subject to contributions to
405 the disability benefits fund as provided in subparagraph (B) of paragraph
406 (2) of this subsection. The division shall, in accordance with prescribed
407 regulations, prorate the amount so determined among the applicable private
408 plans in the proportion that the wages covered by each plan bears to the
409 total private plan wages involved in such refunds, and shall assess against
410 and recover from the employer, or the insurer if the insurer has indemnified
411 the employer with respect thereto, the amount so prorated. The provisions
412 of Revised Statutes, section 43:21-14, with respect to collection of employer
413 contributions shall apply to such assessments. The amounts so recovered by
414 the division shall be paid into the State disability benefits fund.

415 (4) If an individual does not receive any wages from the employing
416 unit which for the purposes of this chapter is treated as his employer, or
417 receives his wages from some other employing unit, such employer shall
418 nevertheless be liable for such individual's contributions in the first instance;
419 and after payment thereof such employer may deduct the amount of such
420 contributions from any sums payable by him to such employing unit, or may

421 recover the amount of such contributions from such employing unit or, in
422 the absence of such an employing unit, from such individual, in a civil action
423 for debt; *provided*, proceedings therefor are instituted within three months
424 after the date on which such contributions are payable. General rules shall
425 be prescribed whereby such an employing unit may recover the amount of
426 such contributions from such individuals in the same manner as if it were the
427 employer.

428 (5) Every employer who has elected to become an employer subject to
429 this chapter or to cease to be an employer subject to this chapter, pursuant
430 to the provisions of section 43:21-8 of this Title, shall post and maintain
431 printed notices of such election on his premises, of such design, in such
432 numbers, and at such places as the director may determine to be necessary to
433 give notice thereof to persons in his service.

434 (6) Contributions by workers, payable to the Division of Employment
435 Security as herein provided, shall be exempt from garnishment, attachment,
436 execution, or any other remedy for the collection of debts.

437 (e) Contributions by employers to State disability benefits fund.

438 (1) Except as hereinafter provided, each employer shall, in addition to
439 the contributions required by subsections (a), (b), and (c) of this section,
440 contribute one-quarter of one per centum ($\frac{1}{4}$ of 1%) of the wages paid by
441 such employer to workers with respect to employment after January first,
442 one thousand nine hundred and forty-nine. Such contributions shall become
443 due and be paid by each employer to the Division of Employment Security
444 for the State disability benefits fund as established by law, in accordance
445 with such regulations as may be prescribed, and shall not be deducted, in
446 whole or in part, from the remuneration of individuals in his employ. In
447 the payment of any contributions, a fractional part of a cent shall be dis-
448 regarded unless it amounts to one-half cent (\$0.005) or more, in which case
449 it shall be increased to one cent (\$0.01).

450 (2) During the continuance of coverage of a worker by an approved
451 private plan of disability benefits under the Temporary Disability Benefits

452 Law, the employer shall be exempt from the contribution required by sub-
453 paragraph (1) above with respect to wages paid to such worker.

454 (3) (A) The rates of contribution as specified in subparagraph (1)
455 above shall be subject to modification as provided herein with respect to
456 employer contributions due on and after July first, one thousand nine hun-
457 dred and fifty-one.

458 (B) A separate disability benefits account shall be maintained for each
459 employer required to contribute to the State disability benefits fund and such
460 account shall be credited with contributions deposited in and credited to such
461 fund with respect to employment occurring on and after January first, one
462 thousand nine hundred and forty-nine. Each employer's account shall be
463 credited with all contributions paid on or before January thirty-first of any
464 calendar year on his own behalf and on behalf of individuals in his service
465 with respect to employment occurring in preceding calendar years. But
466 nothing in this act shall be construed to grant any employer or individuals
467 in his service prior claims or rights to the amounts paid by him to the fund
468 either on his own behalf or on behalf of such individuals. Benefits paid to
469 any covered individual in accordance with Article III of the Temporary Dis-
470 ability Benefits Law on or before January thirty-first of any calendar year
471 with respect to disability in preceding calendar years shall be charged
472 against the account of the employer by whom such individual was employed
473 at the commencement of such disability or by whom he was last employed if
474 out of employment.

475 (C) The division may prescribe regulations for the establishment, main-
476 tenance, and dissolution of joint accounts by two or more employers, and
477 shall, in accordance with such regulations and upon application by two or
478 more employers to establish such an account, or to merge their several
479 individual accounts in a joint account, maintain such joint account as if it
480 constituted a single employer's account.

481 (D) Prior to July first of each calendar year, the Division of Employ-
482 ment Security shall make a preliminary determination of the rate of contribu-

483 tion for the twelve months commencing on such July first for each employer
484 subject to the contribution requirements of this subsection (E).

485 (1) Such preliminary rate shall be one-quarter of one per centum ($\frac{1}{4}$ of
486 1%) unless on the preceding **December thirty-first** January first of such
487 year such employer shall have been a covered employer who has paid con-
488 tributions to the State disability benefits fund for at least **two** three full
489 years and his account shall have been credited with at least fifteen hundred
490 dollars (\$1,500.00) of employer and employee contributions.

491 (2) If the minimum requirements in (1) above have been fulfilled and
492 the credited contributions exceed the benefits charged by more than five hun-
493 dred dollars (\$500.00), such preliminary rate shall be as follows:

494 (1) Two-tenths of one per centum ($\frac{2}{10}$ of 1%) if such excess over
495 five hundred dollars (\$500.00) exceeds one per centum (1%) but is less
496 than one and one-quarter per centum ($1\frac{1}{4}\%$) of his average annual pay-
498 roll (as defined in this chapter);

498 (ii) Fifteen one hundredths of one per centum ($\frac{15}{100}$ of 1%) if
499 such excess over five hundred dollars (\$500.00) equals or exceeds one
500 and one-quarter per centum ($1\frac{1}{4}\%$) but is less than one and one-half per
501 centum ($1\frac{1}{2}\%$) of his average annual payroll.

502 (iii) One-tenth of one per centum ($\frac{1}{10}$ of 1%) if such excess over
503 five hundred dollars (\$500.00) equals or exceeds one and one-half per
504 centum ($1\frac{1}{2}\%$) of his average annual payroll.

505 (3) If the minimum requirements in (1) above have been fulfilled and the
506 contributions credited exceed the benefits charged but by not more than five
507 hundred dollars (\$500.00) plus one per centum (1%) of his average annual
508 payroll, or if the benefits charged exceed the contributions credited but by not
509 more than five hundred dollars (\$500.00), the preliminary rate shall be one-
510 quarter of one per centum ($\frac{1}{4}$ of 1%).

511 (4) If the minimum requirements in (1) above have been fulfilled and
512 the benefits charged exceed the contributions credited by more than five hun-
513 dred dollars (\$500.00), such preliminary rate shall be as follows:

514 (i) Thirty-five one hundredths of one per centum ($35/100$ of 1%) if
 515 such excess over five hundred dollars (\$500.00) is less than one-quarter
 516 of one per centum ($1/4$ of 1%) of his average annual payroll;

517 (ii) Forty-five one hundredths of one per centum ($45/100$ of 1%) if
 518 such excess over five hundred dollars (\$500.00) equals or exceeds one-
 519 quarter of one per centum ($1/4$ of 1%) but is less than one-half of one
 520 per centum ($1/2$ of 1%) of his average annual payroll;

521 (iii) Fifty-five one hundredths of one per centum ($55/100$ of 1%) if
 522 such excess over five hundred dollars (\$500.00) equals or exceeds one-
 523 half of one per centum ($1/2$ of 1%) but is less than three-quarters of one
 524 per centum ($3/4$ of 1%) of his average annual payroll;

525 (iv) Sixty-five one hundredths of one per centum ($65/100$ of 1%) if
 526 such excess over five hundred dollars (\$500.00) equals or exceeds three-
 527 quarters of one per centum ($3/4$ of 1%) but is less than one per centum
 528 (1%) of his average annual payroll;

529 (v) Seventy-five one hundredths of one per centum ($75/100$ of 1%)
 530 if such excess over five hundred dollars (\$500.00) equals or exceeds
 531 one per centum (1%) of his average annual payroll.

532 (5) Determination of the preliminary rate as specified in (2), (3) and
 533 (4) above shall be subject, however, to the condition that it shall in no event
 534 be decreased by more than one-tenth of one per centum ($1/10$ of 1%) of
 535 wages or increased by more than two-tenths of one per centum ($2/10$ of 1%)
 536 of wages from the preliminary rate determined for the preceding year in
 537 accordance with (1), (2), (3) or (4), whichever shall have been applicable.

538 (E) (1) Prior to July first of each calendar year the Division of Em-
 539 ployment Security shall determine the amount of the State disability bene-
 540 fits fund as of December thirty-first of the preceding calendar year increased
 541 by the contributions paid thereto during January of the current calendar year
 542 with respect to employment occurring in preceding calendar years and de-
 543 creased by the benefits paid during January of the current calendar year
 544 with respect to disability in preceding calendar years. If such amount exceeds

545 the total of the amounts withdrawn from the unemployment trust fund pursu-
 546 ant to section twenty-three of the Temporary Disability Benefits Law plus
 547 the amount at the end of such preceding calendar year of the unemployment
 548 disability account (as defined in section twenty-two of said law), such excess
 549 shall be expressed as a percentage of the wages on which contributions were
 550 paid to the State disability benefits fund on or before January thirty-first
 551 with respect to employment in the preceding calendar year.

552 (2) The Division of Employment Security shall then make a final de-
 553 termination of the rates of contribution for the twelve months commencing
 554 July first of such year for employers whose preliminary rates are determined
 555 as provided in (D) hereof, as follows:

556 (i) If the percentage determined in accordance with paragraph (1)
 557 of this subsection equals or exceeds one and one-quarter per centum
 558 ($1\frac{1}{4}\%$) the final employer rates shall be the preliminary rates deter-
 559 mined as provided in (D) hereof, except that if the employer's prelimi-
 560 nary rate is determined as provided in (D) (2) or (D) (3) hereof, the
 561 final employer rate shall be the preliminary employer rate decreased by
 562 such percentage of excess taken to the nearest five one hundredths of
 563 one per centum ($5/100$ of 1%), but in no case shall such final rate be less
 564 than one-tenth of one per centum ($1/10$ of 1%).

565 (ii) If the percentage determined in accordance with paragraph (1)
 566 of this subsection equals or exceeds three-quarters of one per centum
 567 ($\frac{3}{4}$ of 1%) and is less than one and one-quarter of one per centum ($1\frac{1}{4}$
 568 of 1%), the final employer rates shall be the preliminary employer rates.

569 (iii) If the percentage determined in accordance with paragraph (1)
 570 of this subsection is less than three-quarters of one per centum ($\frac{3}{4}$ of
 571 1%), the final employer rates shall be the preliminary employer rates
 572 determined as provided in (D) hereof increased by the difference
 573 between three-quarters of one per centum ($\frac{3}{4}$ of 1%) and such percent-
 574 age taken to the nearest five one hundredths of one per centum ($5/100$
 575 of 1%); *provided, however*, that no such final rate shall be more than

576 one-quarter of one per centum ($\frac{1}{4}$ of 1%) in the case of an employer
 577 whose preliminary rate is determined as provided in (D) (2) hereof,
 578 more than one-half of one per centum ($\frac{1}{2}$ of 1%) in the case of an em-
 579 ployer whose preliminary rate is determined as provided in (D) (1) and
 580 (D) (3) hereof, nor more than three-quarters of one per centum ($\frac{3}{4}$ of
 581 1%) in the case of an employer whose preliminary rate is determined as
 582 provided in (D) (4) hereof.

583 (iv) If the amount of the State disability benefits fund determined
 584 as provided in paragraph (1) of this subsection is equal to or less than
 585 the total of the amounts withdrawn from the unemployment trust fund
 586 pursuant to section twenty-three of the Temporary Disability Benefits
 587 Law plus the amount at the end of the preceding calendar year of the
 588 unemployment disability account, then the final rate shall be three-quar-
 589 ters of one per centum ($\frac{3}{4}$ of 1%) for all employers.

1 5. Section 43:21-11 of the Revised Statutes is amended to read as
 2 follows:

3 43:21-11. (a) Duties and powers of the **[commission]** division. It shall
 4 be the duty of the **[commission]** division to determine all matters of policy;
 5 and it shall have power and authority to adopt, amend, or rescind such rules
 6 and regulations, require such reports, make such investigations, and take such
 7 other action as it deems necessary or suitable to that end or to administer this
 8 chapter; *provided*, that the **[commission]** division may delegate such power
 9 and authority to the **[executive]** director subject to their ultimate super-
 10 vision and control. Such rules and regulations shall be effective upon publica-
 11 tion in the manner, not inconsistent with the provisions of this chapter, which
 12 the **[commission]** division shall prescribe. The **[commission]** division shall
 13 determine its own organization and methods of procedure in accordance with
 14 the provisions of this chapter, and shall have an official seal which shall be
 15 judicially noticed. Not later than the first day of February of each year, the
 16 **[commission]** division shall submit to the Governor a report covering the ad-
 17 ministration and operation of this chapter during the preceding calendar

18 year and shall make such recommendations for amendments to this chapter as
 19 the **【commission】** division deems proper. Such report shall include a balance
 20 sheet of the moneys in the fund in which there shall be provided, if possible, a
 21 reserve against the liability in future years to pay benefits in excess of the
 22 then current contributions, which reserve shall be set up by the **【commission】**
 23 division in accordance with accepted actuarial principles on the basis of sta-
 24 tistics of employment, business activity, and other relevant factors for the
 25 longest possible period. Whenever the **【commission】** division believes that a
 26 change in contribution or benefit rates will become necessary to protect the
 27 solvency of the fund, it shall promptly so inform the Governor and the Leg-
 28 islature, and make recommendations with respect thereto. The **【commis-**
 29 **sion】** division shall make a study of the problem of paying partial benefits
 30 for partial unemployment.

31 (b) Regulations and general and special rules. General and spe-
 32 cial rules may be adopted, amended, or rescinded by the **【commission】**
 33 division. General rules shall become effective ten days after filing
 34 with the Secretary of State and publication in one or more newspapers
 35 of general circulation in this State. Special rules shall become effective ten
 36 days after notification to or mailing to the last known address of the indi-
 37 viduals or concerns affected thereby. Regulations may be adopted, amended,
 38 or rescinded by the **【commission】** division and shall become effective in the
 39 manner and at the time prescribed by the **【commission】** division.

40 (c) Publication. The **【commission】** division shall cause to be printed for
 41 distribution to the public the text of this chapter, the **【commission's】** divi-
 42 sion's regulations and general rules, its annual reports to the Governor, and
 43 any other material the **【commission】** division deems relevant and suitable
 44 and shall furnish the same to any person upon application therefor.

45 (d) Personnel. Subject to other provisions of this chapter, the **【com-**
 46 **mission】** division is authorized to appoint (subject to the provisions of Title
 47 11, Civil Service), fix the compensation, and prescribe the duties and powers

48 of such officers, accountants, attorneys, experts, and other persons as may be
49 necessary in the performance of its duties. All positions shall be filled by
50 persons selected and appointed on a nonpartisan merit basis from lists of
51 eligible persons prepared by the Civil Service Commission, in accordance
52 with the provisions of Title 11, Civil Service, except that any attorney, now
53 or hereafter in office or position of legal assistant for the **【commission】** di-
54 vision, shall be placed in the exempt class of the civil service and thereafter
55 shall not be subject to removal except for cause and then only in accordance
56 with the provisions of Title 11, Civil Service; *provided, however*, that noth-
57 ing herein shall be construed to apply to any attorney designated as special
58 counsel in accordance with the provisions of sections 43:21-6, subsection (h),
59 and 43:21-17. The **【commission】** division shall not employ or pay any per-
60 son who is an officer or committee member of any political party organiza-
61 tion. The **【commission】** division may delegate to any such person so ap-
62 pointed such power and authority as it deems reasonable and proper for the
63 effective administration of this chapter, and may in its discretion bond any
64 person handling moneys or signing checks hereunder.

65 (e) Advisory councils. The **【commission】** division shall appoint a
66 State advisory council of six members and local advisory councils of four
67 members each, composed in each case of an equal number of employer repre-
68 sentatives and employee representatives who may fairly be regarded as rep-
69 resentative because of their vocation, employment, or affiliations, and of such
70 members representing the general public as the **【commission】** division may
71 designate. Such councils shall aid the **【commission】** division in formulating
72 policies and discussing problems related to the administration of this chap-
73 ter and in assuring impartiality and freedom from political influence in the
74 solution of such problems. Such advisory councils shall serve without com-
75 pensation, but shall be reimbursed for any necessary expenses.

76 (f) Employment stabilization. The **【commission】** division, with the ad-
77 vice and aid of its advisory councils, and through its appropriate divisions,

78 shall take all appropriate steps to reduce and prevent unemployment; to en-
 79 courage and assist in the adoption of practical methods of vocational train-
 80 ing, retraining and vocational guidance; to investigate, recommend, advise,
 81 and assist in the establishment and operation, by municipalities, counties,
 82 school districts, and the State, of reserves for public works to be used in
 83 times of business depression and unemployment; to promote the re-employ-
 84 ment of unemployed workers throughout the State in every other way that
 85 may be feasible, and to these ends to carry on and publish the results of in-
 86 vestigations and research studies.

87 (g) Records and reports. Each employing unit shall keep true and ac-
 88 curate employment records, containing such information as may be pre-
 89 scribed. Such records shall be open to inspection and be subject to being
 90 copied by the commission director of the division or its his authorized
 91 representatives at any reasonable time. The executive director may re-
 92 quire from any employing unit any sworn or unsworn reports, with respect
 93 to persons employed by it, which is deemed necessary for the effective ad-
 94 ministration of this chapter. Under such rules and regulations as may be
 95 adopted by the division reports relative to wages and separation from em-
 96 ployment may be required from any employer or employing unit at the time
 97 such employer or employing unit suspends business operations in this State,
 98 or from any employer or employing unit which fails to co-operate in submit-
 99 ting promptly the wage and employment data which may be required under
 100 paragraph (2) of subsection (b) of section 43:21-6 of this Title. If the nature
 101 of such suspension is temporary or in the nature of a transfer, then the di-
 102 rector may excuse the employer or employing unit from furnishing such a
 103 termination report upon assurances that proper arrangements have been
 104 made to supply any information which may be required under paragraph
 105 (2) of subsection (b) of section 43:21-6 of this Title. The director may, in
 105A discretion, require from any employer or employing unit, reports relative to
 105B wages and separation in such manner and at such time as he may deem neces-

105c sary for the effective administration of this chapter. Information thus ob-
 106 tained shall not be published or be open to public inspection (other than to
 107 public employees in the performance of their public duties) in any manner
 108 revealing the employing unit's identity, but any claimant at a hearing before
 109 an appeal tribunal, the **【commission】** division or the board of review, shall
 110 be supplied with information from such records to the extent necessary for
 111 the proper presentation of his claim. Any employee or member of the **【com-**
 112 **mission】** division who violates any provision of this section shall be liable to
 113 a fine of not less than twenty dollars (\$20.00) nor more than two hundred
 114 dollars (\$200.00), to be recovered in **【an】** a civil action **【of debt】** in the name
 115 of the **【commission】** division, said fine when recovered to be paid to the
 116 unemployment compensation fund for the use of said fund.

117 (h) Oaths and witnesses. In the discharge of the duties imposed by this
 118 chapter, the chairman of an appeal tribunal and any duly authorized repre-
 119 sentative or member of the **【commission】** division, the **【executive】** director
 120 or any deputy director thereof or member of the board of review shall have
 121 power to administer oaths and affirmations, take depositions, certify to official
 122 acts, and issue subpoenas to compel the attendance of witnesses and the pro-
 123 duction of books, papers, correspondence, memoranda and other records
 124 deemed necessary as evidence in connection with a disputed claim or the ad-
 125 ministration of this chapter. Witnesses subpoenaed pursuant to this section
 126 shall in the discretion of the **【commission】** division be allowed fees at a rate
 127 to be fixed by it. Such fees shall be deemed a part of the expense of admin-
 128 istering this chapter.

129 (i) Subpoenas. In case of contumacy by or refusal to obey a subpoena
 130 issued to any person, any court of this State within the jurisdiction of which
 131 the inquiry is carried on or within the jurisdiction of which said person
 132 guilty of contumacy or refusal to obey is found or resides or transacts busi-
 133 ness, upon application by the **【commission】** division or its duly authorized
 134 representative, or the board of review, shall have jurisdiction to issue to such

135 person an order requiring such person to appear before the board of review or
136 a member thereof, [a commissioner,] the [commission] division, the [execu-
137 tive] director, or his duly authorized representative, there to produce evidence
138 if so ordered or there to give testimony touching the matter under investi-
139 gation or in question; and any failure to obey such order of the court may
140 be punished by said court as a contempt thereof. Any person who shall
141 without just cause fail or refuse to attend and testify or to answer any lawful
142 inquiry or to produce books, papers, correspondence, memoranda, and other
143 records, if it is in his power so to do, in obedience to a subpoena of the [com-
144 mission] division or of the board of review shall be punished by a fine of
145 not more than two hundred dollars (\$200.00) or by imprisonment for not
146 longer than sixty days, or by both such fine and imprisonment, and each day
147 such violation continues shall be deemed to be a separate offense.

148 (j) Protection against self-incrimination. No person shall be excused
149 from attending and testifying or from producing books, papers, correspond-
150 ence, memoranda and other records before the [commission] division or the
151 board of review or in obedience to the subpoena of a member of the [com-
152 mission] division or the [executive] director thereof, the board of review or a
153 member thereof, or any duly authorized representative of the [commission]
154 division in any cause or proceeding before the [commission] division, the
155 board of review or a member thereof, on the ground that the testimony or
156 evidence, documentary or otherwise, required of him may tend to incrimi-
157 nate him or subject him to a penalty or forfeiture; but no individual shall
158 be prosecuted or subjected to any penalty or forfeiture for or on account of
159 any transaction, matter, or thing concerning which he is compelled, after hav-
160 ing claimed his privilege against self-incrimination, to testify or produce
161 evidence, documentary or otherwise, except that such individual so testify-
162 ing shall not be exempt from prosecution and punishment for perjury com-
163 mitted in so testifying.

164 (k) State-Federal co-operation. In the administration of this chapter
165 the [commission] division shall co-operate to the fullest extent consistent

166 with the provisions of this chapter, with the Social Security Board, created
 167 by the social security act, approved August fourteenth, one thousand nine
 168 hundred and thirty-five as amended; shall make such reports, in such form
 169 and containing such information as the Social Security Board may from
 170 time to time require, and shall comply with such provisions as the Social Se-
 171 curity Board may from time to time find necessary to assure the correctness
 172 and verification of such reports, and shall comply with the regulations pre-
 173 scribed by the Social Security Board governing the expenditures of such
 174 sums as may be allotted and paid to this State under Title III of the social
 174A security act for the purpose of assisting in the administration of this chapter.

175 Upon request therefor the **[executive]** director shall furnish to any agency
 176 of the United States charged with the administration of public works or
 177 assistance through public employment, the name, address, ordinary occupa-
 178 tion and employment status of each recipient of benefits and such recipient's
 179 rights to further benefits under this chapter.

180 The **[commission]** division may make the State's records relating to the
 181 administration of this chapter available to the Railroad Retirement Board
 182 and may furnish the Railroad Retirement Board, at the expense of such
 183 board, such copies thereof as the Railroad Retirement Board deems neces-
 184 sary for its purposes.

185 The **[commission]** division may afford reasonable co-operation with
 186 every agency of the United States charged with the administration of any
 187 unemployment insurance law.

1 6. Section 43:21-14 of the Revised Statutes is amended to read as follows:

2 43:21-14. Collection of Contributions.

3 (a) In addition to such reports as the executive director may require
 4 under the provisions of subsection (g) of section 43:21-11 of this Title, every
 5 employer shall file with the **[commission]** division periodical contribution
 6 reports on such forms and at such times as the executive director, with the
 7 approval of the **[commission]** division, shall prescribe, to disclose the em-
 8 ployer's liability for contributions under the provisions of this chapter, and

9 at the time of filing each contribution report shall pay the contributions re-
 10 quired by this chapter for the period covered by such report. The [com-
 11 mission] division may require that such reports shall be under oath of the
 12 employer. Any employer who shall fail to file any report, required by the
 13 [commission] division or the [executive] director, on or before the last day
 14 for the filing thereof shall pay a penalty of one dollar (\$1.00) for each day
 15 of delinquency until and including the tenth day following such last day and,
 16 for any period of delinquency after such tenth day, a penalty of one dollar
 17 (\$1.00) a day or twenty per centum (20%) of the amount of the contribu-
 18 tions due and payable by the employer for the period covered by the report,
 19 whichever is the lesser. If there be no liability for contributions for the
 20 period covered by any contribution report or in the case of any report other
 21 than a contribution report, the employer or employing unit shall pay a pen-
 22 alty of one dollar (\$1.00) a day for each day of delinquency in filing or fifteen
 23 dollars (\$15.00), whichever is the lesser. Any employer who shall fail to pay
 24 the contributions due for any period on or before the date they are required
 25 by the [commission] division to be paid, shall pay interest at the rate of one
 26 per centum (1%) a month on the amount thereof from such date until the
 27 date of payment thereof. Upon the written request of any employer or em-
 28 ploying unit, filed with the [commission] division on or before the due date
 29 of any report or contribution payment, the [commission] division, for good
 30 cause shown, may grant, in writing, an extension of time for the filing of such
 31 report or the paying of such contribution with interest at the rate of one
 32 per centum (1%) a month on the amount thereof; *provided*, no such exten-
 33 sion shall exceed thirty days and that no such extension shall postpone
 34 payment of any contribution for any period beyond the day preceding the
 35 last day for filing tax returns under Title IX of the Federal Social Security
 36 Act for the year in which such period occurs.

37 (b) The contributions, penalties, and interest due from any employer
 38 under the provisions of this chapter, from the time they shall be due, shall
 39 be a personal debt of the employer to the State of New Jersey, recoverable

40 in any court of competent jurisdiction in an action at law in the name of the
 41 State of New Jersey[.]; provided, however, that except in the event of
 42 fraud, no employer shall be liable for contributions, penalties, or interest un-
 43 less assessed before four years have elapsed from the time when the con-
 44 tributions were due.

45 (c) If any employer shall fail to make any report as required by the
 46 rules and regulations of the [commission] division pursuant to the provi-
 47 sions of this chapter, the [commission] division may make an estimate of
 48 the liability of such employer from any information it may obtain and, ac-
 49 cording to such estimate so made, assess such employer for the contributions,
 50 penalties, and interest due the State from him, give notice of such assess-
 51 ment to the employer, and make demand upon him for payment.

52 (d) After a report is filed under the provisions of this chapter and the
 53 rules and regulations of the [commission] division, the [commission] divi-
 54 sion, shall cause the report to be examined and shall make such further audit
 55 and investigation as it may deem necessary, and if therefrom there shall be
 56 determined that there is a deficiency with respect to the payment of the con-
 57 tributions due from such employer, the [commission] division shall assess
 58 the additional contributions, penalties, and interest due the State from such
 59 employer, give notice of such assessment to the employer, and make demand
 60 upon him for payment.

61-62 (e) As an additional remedy, the [commission] division may issue to
 63 the clerk of the Supreme Court of New Jersey a certificate stating the
 64 amount of the employer's indebtedness under this chapter and describing the
 65 liability, and thereupon the clerk shall immediately enter upon his record of
 66 docketed judgments such certificates or an abstract thereof and duly index
 67 the same. Such certificate or abstract from the time of such docketing shall
 68 have the same force and effect as a judgment obtained in the Supreme Court
 69 of New Jersey, and the [commission] division shall have all the remedies
 70 and may take all the proceedings for the collection thereof which may be

71 had or taken upon the recovery of such a judgment in an action at law upon
72 contract in said court. Such debt, from the time of the docketing thereof,
73 shall be a lien on and bind the lands, tenements, and hereditaments of the
74 debtor.

75 The clerk of the Supreme Court shall be entitled to receive for docketing
76 such certificate fifty cents (\$0.50), and for a certified transcript of such
77 docket fifty cents (\$0.50). If the amount set forth in said certificate as a
78 debt shall be modified or reversed by any court, the clerk of the Supreme
79 Court shall, when an order of modification or reversal is filed, enter in the
80 margin of the docket opposite the entry of the judgment the word "modi-
81 fied" or "reversed," as the case may be, and the date of such modification
82 or reversal.

83 The employer, or any other person having an interest in the property
84 upon which the debt is a lien, may deposit the amount claimed in the certi-
85 ficate with the clerk of the Supreme Court of New Jersey, together with
86 fifty dollars (\$50.00) to cover interest and the costs of court, or in lieu of
87 depositing the amount in cash, may give a bond to the State of New Jersey
88 in double the amount claimed in the certificate, and file the same with the
89 clerk of the Supreme Court. Said bond shall have such surety and shall be
90 approved in the manner now required by section 2:27-369 of the Revised
91 Statutes.

92 After the deposit of said money or the filing of said bond, the employer or
93 any other person having an interest in the said property may review the
94 legality or validity of the indebtedness or the amount thereof by certiorari,
95 and the said deposit of cash shall be as security for and the bond shall be
96 conditioned to prosecute the certiorari with effect and to pay and satisfy, if
97 the debt be sustained, the amount adjudged by the court and all interest and
98 costs.

99 Upon the deposit of said money or the filing of the said bond with the clerk
100 of the Supreme Court, all proceedings on such judgment shall be stayed until
101 the final determination of the cause, and the moneys so deposited shall be

102 subject to the lien of the indebtedness and costs and interest thereon, and
103 the lands, tenements, and hereditaments of said debtor shall forthwith be
104 discharged from the lien of the State of New Jersey and no execution shall
105 issue against the same by virtue of said judgment.

106 (f) If not later than two years after the calendar year in which any
107 moneys were erroneously paid to, or collected by the [commission] divi-
108 sion, whether such payments were voluntarily or involuntarily made or
109 made under mistake of law or of fact, an employer or an employee who has
110 paid such moneys shall make application for an adjustment of his own con-
111 tribution in connection with subsequent contribution payments, or for a
112 refund of his own contribution because such adjustment cannot be made,
113 and the [commission] division or [executive] director shall determine that
114 such moneys or any portion thereof was so erroneously paid or collected,
115 such employer or employee shall be allowed to make an adjustment thereof,
116 without interest, in connection with subsequent contribution payments, or
117 if such adjustments cannot be made the said amount shall be refunded,
118 without interest, from the fund. For a like cause and within the same
119 period, adjustment or refund may be so made on the initiative of the [com-
120 mission] division through the [executive] director.

121 (g) All interest and penalties collected pursuant to this section shall be
122 paid into a special fund to be known as the unemployment compensation
123 auxiliary fund; all moneys in this special fund shall be deposited, admin-
124 istered and disbursed, in the same manner and under the same conditions
125 and requirements as is provided by law for other special funds in the State
126 treasury, and shall be expended, under legislative appropriation, solely for
127 the purpose of aiding in defraying the cost of the administration of this
128 chapter and for essential and necessary expenditures in connection here-
129 with not provided in or by grants of the Federal Government. The Treas-
130 urer of the State shall be ex-officio the treasurer and custodian of this
131 special fund and, subject to legislative appropriation, shall administer the
132 fund in accordance with the directions of the [commission] division. Any

133 balances in this fund shall not lapse at any time, but shall be continuously
 134 available, subject to legislative appropriation, to the 【commission】 division
 135 for expenditure. The State Treasurer shall give a separate and additional
 136 bond conditioned upon the faithful performance of his duties in connection
 137 with the unemployment compensation auxiliary fund in an amount to be
 138 fixed by the 【commission】 division, the premiums for such bond to be paid
 139 from the moneys in the said special fund.

1 7. Section 43:21-16 of the Revised Statutes is amended to read as fol-
 2 lows:

3 43:21-16. (a) Whoever makes a false statement or representation know-
 4 ing it to be false or knowingly fails to disclose a material fact, to obtain or
 5 increase any benefit or other payment under this chapter (R. S. 43:21-1
 6 et seq.), or under an employment security law of any other State or of the
 7 Federal Government, either for himself or for any other person, shall be
 8 liable to a fine of twenty dollars (\$20.00) for each offense, to be recovered in
 9 an action at law in the name of the Division of Employment Security of the
 10 Department of Labor and Industry of the State of New Jersey or as pro-
 11 vided in subsection (e) of section 43:21-14, said fine when recovered to be
 12 paid to the unemployment compensation auxiliary fund for the use of said
 13 fund; and each such false statement or representation or failure to disclose
 14 a material fact shall constitute a separate offense. Any penalties imposed
 15 by this subsection shall be in addition to those otherwise prescribed in this
 16 chapter (R. S. 43:21-1 et seq.).

17 (b) (1) Any employing unit or any officer or agent of an employing unit
 18 or any other person who makes a false statement or representation knowing
 19 it to be false, or who knowingly fails to disclose a material fact, to prevent or
 20 reduce the payment of benefits to any individual entitled thereto, or to avoid
 21 becoming or remaining subject hereto or to avoid or reduce any contribution
 22 or other payment required from an employing unit under this chapter (R. S.
 23 43:21-1 et seq.), or under an employment security law of any other State or

24 of the Federal Government, or who wilfully fails or refuses to furnish any
 25 reports required hereunder (except for such reports as may be required
 26 under paragraph 43:21-6 (b) (2) of this Title) or to produce or permit the
 27 inspection or copying of records as required hereunder, shall be liable to a
 28 fine of fifty dollars (\$50.00), to be recovered in an action at law in the name
 29 of the Division of Employment Security of the Department of Labor and In-
 30 dustry of the State of New Jersey or as provided in subsection (e) of section
 31 43:21-14, said fine when recovered to be paid to the unemployment compen-
 32 sation auxiliary fund for the use of said fund; and each such false statement
 33 or representation or failure to disclose a material fact, and each day of such
 34 failure or refusal shall constitute a separate offense. Any penalties imposed
 35 by this **[subsection]** paragraph shall be in addition to those otherwise pre-
 36 scribed in this chapter (R. S. 43:21-1 et seq.).

37 (2) Any employing unit or any officer or agent of an employing unit or
 38 any other person who fails to submit any report required under paragraph
 39 43:21-6 (b) (2) of this Title shall be subject to a penalty of five dollars
 40 (\$5.00) for each such report not submitted within seven days after the
 41 mailing of a request for such report, and an additional five dollars (\$5.00)
 42 penalty may be assessed for each seven-day period which may elapse after the
 43 end of the initial seven-day period and before the report is filed; *provided,*
 44 that when such report or reports are not filed within the prescribed time but
 45 it is shown to the satisfaction of the director that the failure was due to a
 46 reasonable cause, no such penalty shall be imposed.

47-50 (c) Any person who shall willfully violate any provision of this chapter
 51 (R. S. 43:21-1 et seq.) or any rule or regulation thereunder, the violation of
 52 which is made unlawful or the observance of which is required under the
 53 terms of this chapter (R. S. 43:21-1 et seq.), and for which a penalty is
 54 neither prescribed herein nor provided by any other applicable statute, shall
 55 be liable to a fine of fifty dollars (\$50.00), to be recovered in an action at law
 56 in the name of the Division of Employment Security of the Department of

57 Labor and Industry of the State of New Jersey or as provided in subsec-
 58 tion (e) of section 43:21-14, said fine when recovered to be paid to the un-
 59 employment compensation auxiliary fund for the use of said fund; and each
 60 day such violation continues shall be deemed to be a separate offense.

61 (d) When it is determined by a representative or representatives desig-
 62 nated by the director of the Division of Employment Security of the Depart-
 63 ment of Labor and Industry of the State of New Jersey that any person,
 64 whether (i) by reason of the nondisclosure or misrepresentation by him or
 65 by another, of a material fact (whether or not such nondisclosure or mis-
 66 representation was known or fraudulent), or (ii) for any other reason, has
 67 received any sum as benefits under this chapter (R. S. 43:21-1 et seq.)
 68 while any conditions for the receipt of benefits imposed by this chapter
 69 (R. S. 43:21-1 et seq.) were not fulfilled in his case, or while he was dis-
 70 qualified from receiving benefits, or while otherwise not entitled to receive
 71 such sum as benefits, such person shall be liable, if the director in his
 72 discretion directs recovery, either to have such sum deducted from any
 73 future benefits payable to him under this chapter (R. S. 43:21-1
 73A et seq.) or to repay to the division for the unemployment compensation
 74B fund, a sum equal to the amount so received by him, and such sum
 74 shall be collectible in the manner provided in subsection (e) of section
 75 43:21-14 of this chapter (R. S. 43:21-1 et seq.) for the collection of past-
 76 due contributions[.]; provided, however, that, except in the event of fraud,
 77 no person shall be liable for any such refunds or deductions against future
 78 benefits unless so notified before four years have elapsed from the time
 79 the benefits in question were paid. Such person shall be promptly notified
 80 of the determination and the reasons therefor. Unless such person, within
 81 five calendar days after the delivery of such determination, or within seven
 82 calendar days after such notification was mailed to his last-known address,
 83 files an appeal for such determination, such determination shall be final.

84 (e) Any employing unit[.] or any officer or agent of an employing unit,
 85 employer or person failing to remit, when payable, any employer contribu-

86 tions, or worker contributions (if withheld or deducted) or the amount of such
 87 worker contributions (if not withheld or deducted), or **[files]** filing or
 88 **[causes]** causing to be filed with the Division of Employment Security of
 89 the Department of Labor and Industry of the State of New Jersey, any false
 90 or fraudulent report or statement, and any person who aids or abets an em-
 91 ploying unit, employer, or any person in the preparation or filing of any false
 92 or fraudulent report or statement with the aforesaid division with intent to
 93 defraud the aforesaid division or the State of New Jersey or an employment
 94 security agency of any other State or of the Federal Government, or with
 95 intent to evade the payment of any contributions, interest or penalties, or any
 96 part thereof, which shall be due under the provisions of this chapter (R. S.
 97 43:21-1 et seq.), shall be liable for each offense upon conviction before any
 98 County Court, county district court, criminal judicial district court, or magis-
 99 trate's court, to a fine not to exceed two hundred fifty dollars (\$250.00) or by
 100 imprisonment for a term not to exceed ninety days, or both, at the discretion
 101 of the court. The fine upon conviction shall be payable to the unemployment
 102 compensation auxiliary fund of the Division of Employment Security of the
 103 Department of Labor and Industry of the State of New Jersey. Any penalties
 104 imposed by this subsection shall be in addition to those otherwise prescribed
 105 in this chapter (R. S. 43:21-1 et seq.).

106 (f) There shall be created in the Division of Employment Security of
 107 the Department of Labor and Industry of the State of New Jersey an investi-
 108 gating staff for the purpose of investigating violations referred to in this
 109 section and enforcing the provisions thereof.

1 8. Section 43:21-19 of the Revised Statutes is amended to read as
 2 follows:

3 43:21-19. As used in this chapter, unless the context clearly requires
 4 otherwise:

5 (a) (1) "Annual payroll" means the total amount of wages **[payable**
 6 by an employer for employment during a calendar year ending with the
 7 calendar year one thousand nine hundred and forty-six which are paid prior

8 to January first, one thousand nine hundred and forty-seven, and in respect
 9 to the calendar year one thousand nine hundred and forty-seven and each
 10 calendar year thereafter means the total amount of wages] paid during a
 11 calendar year (regardless of when earned) by an employer for employment.

12 (2) "Average annual payroll" means the average of the annual pay-
 13 rolls of any employer for the last three or five preceding calendar years,
 14 whichever average is higher [;], except that any year or years throughout
 15 which an employer has had no "annual payroll" because of military service
 16 shall be deleted from the reckoning; the "average annual payroll" in such
 17 case is to be determined on the basis of the prior three or five calendar years
 18 in each of which the employer had an "annual payroll" in the operation of
 19 his business, if the employer resumes his business within twelve months
 20 after separation, discharge or release from such service, under conditions
 21 other than dishonorable, and makes application to have his "average annual
 22 payroll" determined on the basis of such deletion within twelve months
 23 after he resumes his business; provided, however, that "average annual
 24 payroll" solely for the purposes of paragraph (3) of subsection (e) of
 25 section 43:21-7 of this Title means the average of the annual payrolls of any
 26 employer, on which he paid contributions to the State disability benefits fund,
 27 for the last three or five preceding calendar years, whichever average is
 28 higher; provided [, however] further, that only those wages be included on
 29 which employer contributions have been paid on or before January thirty-
 30 first [of the calendar year] immediately preceding the beginning of the
 31 twelve-months' period for which the employer's contribution rate is com-
 32 puted.

33 (b) "Benefits" means the money payments payable to an individual, as
 34 provided in this chapter, with respect to his unemployment.

35 (c) (1) The term "base year" with respect to benefit years commenc-
 36 ing prior to January first, one thousand nine hundred and fifty-three, means
 37 the first four of the last five completed calendar quarters immediately pre-

38 ceding the first day of an individual's benefit year; *provided*, that no calen-
 39 dar quarter shall comprise a part of more than one base year.

40 (2) "Base year" with respect to benefit years commencing on or after
 41 January first, one thousand nine hundred and fifty-three, shall mean the
 42 fifty-two calendar weeks ending with the second week immediately preceding
 43 an individual's benefit year.

44 (d) "Benefit year" with respect to any individual means the three
 45 hundred sixty-four consecutive calendar days beginning with the day on,
 46 or as of, which he first files a valid claim for benefits, and thereafter be-
 47 ginning with the day on, or as of, which the individual next files a valid
 48 claim for benefits after the termination of his last preceding benefit year.
 49 Any claim for benefits made in accordance with subsection (a) of section
 50 43:21-6 of this Title shall be deemed to be a "valid claim" for the purpose
 51 of this subsection if the individual is, in fact, partially or totally unemployed
 52 and has fulfilled the conditions imposed by subsection (e) of section 43:21-4
 53-54 of this Title.

55 (e) ["Commission" means the unemployment compensation commission
 56 established by section 43:21-10 of this Title, and for purposes of this chapter
 57 any transaction or exercise of authority by the executive director shall be
 58 deemed to be performed by the commission.] "Division" means the Division
 59 of Employment Security of the Department of Labor and Industry estab-
 60 lished by Chapter 446, P. L. 1948, and any transaction or exercise of author-
 61 ity by the director of the division thereunder, or under this chapter (R. S.
 62 43:21-1 et seq.), shall be deemed to be performed by the division.

63 (f) "Contributions" means the money payments to the State unem-
 64 ployment compensation fund required by this chapter.

65 (g) "Employing unit" means any individual or type of organization,
 66 including any partnership, association, trust, estate, joint-stock company,
 67 insurance company or corporation, whether domestic or foreign, or the re-
 68 ceiver, trustee in bankruptcy, trustee or successor thereof, or the legal rep-
 69 resentative of a deceased person, which has or subsequent to January first,

70 one thousand nine hundred and thirty-six, had in its employ one or more
 71 individuals performing services for it within this State. All individuals
 72 performing services within this State for any employing unit which main-
 73 tains two or more separate establishments within this State shall be deemed
 74 to be employed by a single employing unit for all the purposes of this
 75 chapter. Whenever any employing unit contracts with or has under it any
 76 contractor or subcontractor for any employment which is part of its usual
 77 trade, occupation, profession, or business, unless the employing unit as well
 78 as each such contractor or subcontractor is an employer by reason of sub-
 79 section (c) of section 43:21-8 of this Title or subsection (h) of this section,
 80 the employing unit shall for all the purposes of this chapter be deemed
 81 to employ each individual in the employ of each such contractor or subcon-
 82 tractor for each day during which such individual is engaged in performing
 83 such employment; except that each such contractor or subcontractor who
 84 is an employer by reason of subsection (c) of section 43:21-8 of this Title
 85 or subsection (h) of this section, shall alone be liable for the contribu-
 86 tions measured by wages payable to individuals in his employ, and except
 87 that any employing unit who shall become liable for and pay contributions
 88 with respect to individuals in the employ of any such contractor or sub-
 89 contractor who is not an employer by reason of subsection (c) of section
 90 43:21-8 of this Title or subsection (h) of this section, may recover the
 91 same from such contractor or subcontractor. Each individual employed to
 92 perform or to assist in performing the work of any agent or employee of
 93 an employing unit shall be deemed to be employed by such employing unit
 94 for all the purposes of this chapter, whether such individual was hired or
 95 paid directly by such employing unit or by such agent or employee; *pro-*
 96 *vided*, the employing unit had actual or constructive knowledge of the work.

97 (h) "Employer" means:

98 (1) Any employing unit which for some portion of a day, but not neces-
 99 sarily simultaneously, in each of twenty different weeks, whether or not
 100 such weeks are or were consecutive, within either the current or the pre-

101 ceding calendar year, has or had in employment four or more individuals
 102 (irrespective of whether the same individuals are or were employed in each
 103 such day);

104 (2) Any employing unit which acquired the organization, trade or busi-
 105 ness, or substantially all the assets thereof, of another which at the time
 106 of such acquisition was an employer subject to this chapter;

107 (3) Any employing unit which acquired the organization, trade or
 108 business, or substantially all the assets thereof, of another employing unit
 109 and which, if treated as a single unit with such other employing unit,
 110 would be an employer under paragraph (1) of this subsection;

111 (4) Any employing unit which together with one or more other em-
 112 ploying units, is owned or controlled (by legally enforceable means or other-
 113 wise), directly or indirectly by the same interests, or which owns or con-
 114 trols one or more other employing units (by legally enforceable means or
 115 otherwise), and which, if treated as a single unit with such other employ-
 116 ing unit or interest, would be an employer under paragraph (1) of this
 117 subsection;

118 (5) Any employing unit which, having become an employer under para-
 119 graphs (1), (2), (3) or (4), has not, under section 43:21-8 of this Title,
 120 ceased to be an employer subject to this chapter; or

121 (6) For the effective period of its election pursuant to subsection (c)
 122 of section 43:21-8 of this Title any other employing unit which has elected
 123 to become fully subject to this chapter.

124 (i) (1) "Employment" means service, including service in interstate
 125 commerce performed for remuneration or under any contract of hire, writ-
 126 ten or oral, express or implied.

127 (2) The term "employment" shall include an individual's entire serv-
 128 ice, performed within or both within and without this State if:

129 (A) The service is localized in this State; or

130 (B) The service is not localized in any State but some of the serv-
 131 ice is performed in this State, and (i) the base of operations, or, if there

132 is no base of operations, then the place from which such service is di-
 133 rected or controlled, is in this State; or (ii) the base of operations
 134 or place from which such service is directed or controlled is not in
 135 any State in which some part of the service is performed, but the indi-
 136 vidual's residence is in this State.

137 (3) Services performed within this State but not covered under para-
 138 graph (2) of this subsection shall be deemed to be employment subject to
 139 this chapter if contributions are not required and paid with respect to such
 140 services under an unemployment compensation law of any other State or of
 141 the Federal Government.

142 (4) Services not covered under paragraph (2) of this subsection, and
 143 performed entirely without this State, with respect to no part of which con-
 144 tributions are required and paid under an unemployment compensation law
 145 of any other State or of the Federal Government, shall be deemed to be
 146 employment subject to this chapter if the individual performing such serv-
 147 ices is a resident of this State and the [commission] division approves the
 148 election of the employing unit for whom such services are performed that the
 149 entire service of such individual shall be deemed to be employment subject to
 150 this chapter; *provided*, written objections on the part of a substantial pro-
 151 portion of such individuals affected are not presented to the [commission]
 152 division within ten days following the filing of such election.

153 (5) Service shall be deemed to be localized within a State if

154 (A) the service is performed entirely within such State; or

155 (B) the service is performed both within and without such State,
 156 but the service performed without such State is incidental to the indi-
 157 vidual's service within the State, for example, is temporary or transi-
 158 tory in nature or consists of isolated transactions.

159 (6) Services performed by an individual for remuneration shall be
 160 deemed to be employment subject to this chapter unless and until it is
 161 shown to the satisfaction of the [commission] division that

162 (A) such individual has been and will continue to be free from
163 control or direction over the performance of such service both under
164 his contract of service and in fact; and

165 (B) such service is either outside the usual course of the business
166 for which such service is performed, or that such service is performed
167 outside of all the places of business of the enterprise for which such
168 service is performed; and

169 (C) such individual is customarily engaged in an independently
170 established trade, occupation, profession or business.

171 (7) The term "employment" shall not include:

172 (A) Agricultural labor;

173 (B) Domestic service in a private home;

174 (C) Service performed by an individual in the employ of his son,
175 daughter or spouse, and service performed by a child under the age of
176 twenty-one in the employ of his father or mother;

177 (D) Service performed in the employ of this State or of any politi-
178 cal subdivision thereof or of any instrumentality of this State or its
179 political subdivisions;

180 (E) Service performed in the employ of any other State or its
181 political subdivisions, or of the United States Government, or of an
182 instrumentality of any other State or States or their political subdivi-
183 sions or of the United States;

184 (F) Services performed in the employ of a corporation, commu-
185 nity chest, fund, or foundation, organized and operated exclusively for
186 religious, charitable, scientific, literary, hospital, benevolent, philan-
187 thropic, or educational purposes, or for the prevention of cruelty to
188 children or animals, no part of the net earnings of which inures to the
189 benefit of any private shareholder or individual;

190 (G) Services performed in the employ of fraternal beneficiary so-
191 cieties, orders, or associations operating under the lodge system or for
192 the exclusive benefit of the members of a fraternity itself operating
193 under the lodge system and providing for the payment of life, sick,

194 accident or other benefits to the members of such society, order, or
195 association, or their dependents;

196 (H) Services performed as an officer or other employee of any build-
197 ing and loan association of this State, except where such services con-
198 stitute the principal employment of the individual; services performed
199 as an officer or other employee of any building and loan association
200 where such association is a member of the Federal Home Loan Bank
201 System; services performed as an officer or other employee of any bank
202 which is a member of the Federal Reserve System;

203 (I) Service performed after June thirtieth, one thousand nine hun-
204 dred and thirty-nine, with respect to which unemployment compensa-
205 tion is payable under the Railroad Unemployment Insurance Act (52
206 Stat. 1094).

207 (J) Service performed by agents of insurance companies, exclu-
208 sive of industrial insurance agents, or by agents of investment com-
209 panies, who are compensated wholly on a commission basis.

210 (K) Services performed by real estate salesmen or brokers who are
211 compensated wholly on a commission basis.

212 (L) Services performed in the employ of any veterans' organiza-
213 tion chartered by Act of Congress or of any auxiliary thereof, no part
214 of the net earnings of which organization, or auxiliary thereof, inures
215 to the benefit of any private shareholder or individual.

216 (M) Service heretofore or hereafter performed for or in behalf of
217 the owner or operator of any theatre, ballroom, amusement hall or
218 other place of entertainment, not in excess of ten weeks in any calen-
219 dar year for the same owner or operator, by any leader or musician of
220 a band or orchestra, commonly called a "name band," entertainer,
221 vaudeville artist, actor, actress, singer or other entertainer.

222 (N) Services performed by an individual for a labor union organiza-
223 tion, known and recognized as a union local, as a member of a committee
224 or committees reimbursed by the union local for time lost from regular
225 employment, or as a part-time officer of a union local and the remunera-

226 tion for such services is less than two hundred fifty dollars (\$250.00)
227 in a calendar year.

228 (j) "Employment office" means a free public employment office, or
229 branch thereof operated by this State or maintained as a part of a State
230 controlled system of public employment offices.

231 (k) "Fund" means the unemployment compensation fund established by
232 this chapter, to which all contributions required and from which all benefits
233 provided under this chapter shall be paid.

234 (l) "State" includes, in addition to the States of the United States of
235 America, Alaska, Hawaii, and the District of Columbia.

236 (m) Unemployment.

237 (1) An individual shall be deemed "unemployed" for any week during
238 which he is not engaged in full-time work and with respect to which his
239 remuneration is less than his weekly benefit rate.

240 (2) The term "remuneration," with respect to benefit years commenc-
241 ing prior to January first, one thousand nine hundred and fifty-three, and as
242 used in this subsection, shall include only that part of the same which exceeds
243 three dollars (\$3.00) for any one week.

244 (3) An individual's week of unemployment shall be deemed to com-
245 mence only after his registration at an employment office, except as the
246 **[commission]** division may by regulation otherwise prescribe.

247 (n) "Unemployment compensation administration fund" means the un-
248 employment compensation administration fund established by this chapter,
249 from which administrative expenses under this chapter shall be paid.

250 (o) "Wages" means remuneration payable by employers for employ-
251 ment prior to January first, one thousand nine hundred and forty-seven,
252 and paid prior to such date; and means remuneration paid subsequent to
253 December thirty-first, one thousand nine hundred and forty-six, by employ-
254 ers for employment; *provided, however,* that for eligibility and benefit pur-
255 poses wages earned but not paid when the amount thereof has been calcu-
256 lated and is due as determined by the established and customary practices
257 of the employer shall be construed as having been paid when earned.

258 (p) "Remuneration" means all compensation for personal services, in-
 259 cluding commissions and bonuses and the cash value of all compensation in
 260 any medium other than cash.

261 (q) "Week" means such period or periods of seven consecutive days
 262 ending at midnight, as the commission may by regulation prescribe.

263 (r) "Calendar quarter" means the period of three consecutive calen-
 264 dar months ending on March thirty-first, June thirtieth, September thir-
 265 tieth, or December thirty-first[, excluding, however, any calendar quarter
 266 or portion thereof which occurs prior to January first, one thousand nine
 267 hundred and thirty-seven, or the equivalent thereof as the commission may
 268 by regulation prescribe].

269 (s) "Investment company" means any company as defined in para-
 270 graph 1-a of chapter three hundred twenty-two of the laws of one thousand
 271 nine hundred and thirty-eight, entitled "An act concerning investment com-
 272 panies, and supplementing Title 17 of the Revised Statutes by adding
 273 thereto a new chapter entitled 'investment companies.' "

274 (t) "Base week" means any calendar week of an individual's base year
 275 during which he earned in employment from an employer remuneration
 276 equal to not less than fifteen dollars (\$15.00).

277 (u) "Average weekly wage" means the amount derived by dividing an
 278 individual's total wages received during his base year base weeks from
 279 that most recent base year employer with whom he had established at least
 280 seventeen base weeks, by the number of base weeks in which such wages were
 281 earned. In the event that such claimant had no employer in his base year with
 282 whom he had established at least seventeen base weeks, then such individual's
 283 average weekly wage shall be computed as if all of his base week wages were
 284 received from one employer and as if all his base weeks of employment had
 285 been performed in the employ of one employer.

286 If on application of a claimant it is determined that he has been em-
 287 ployed during at least the four weeks immediately preceding his separa-

288 tion from employment by an employer on a substantially reduced schedule
 289 of weekly hours due to lack of work all weeks of substantially reduced
 290 schedule within the base period and his wages therefor shall be disregarded in
 291 computing his average weekly wage.

1 9. This act shall take effect January first, one thousand nine hundred and
 2 fifty-three, except that the change in maximum weekly benefit amount as pro-
 3 vided in section 43:21-3 (c) (1) of the Revised Statutes as amended herein
 4 shall apply with respect to benefit years beginning on and after July first, one
 5 thousand nine hundred and fifty-two.

STATEMENT

The purpose of this bill is to accomplish the recommendations of the commission appointed under 1951 Special Session Assembly Concurrent Resolution No. 1 for the purpose of studying New Jersey's employment security statutes.

This bill proposes the first comprehensive revision of the New Jersey Unemployment Compensation Law since its adoption in 1936. It is designed to accomplish the objectives long sought by those interested in establishing and developing New Jersey's employment security system as a social insurance program equitable to the economic interests of 1,900,000 covered workers and 45,000 subject employers.

Four objectives of the study commission are accomplished in this bill. They are:

1. Establishment of an adequate and equitable schedule of benefit payments for both unemployment and disability insurance purposes.

2. Simplification of the benefit formula to more properly reflect earning capacity and the use of the most recent earnings of claimants for the purpose of calculating the benefit rate.

3. Revision of wage reporting requirements so as to effect an improvement in controls over benefit payments, thus reducing improper claims and accelerating the re-employment of claimants.

4. Prompt payment of benefits.

Under this bill and another measure covering the Temporary Disability Benefits Law, the maximum weekly benefit rate is fixed for initial claims filed on and after July 1, 1952, at \$30.00, an increase of \$4.00 over the present \$26.00 rate. The minimum weekly benefit rate continues at \$10.00. Maximum duration of benefits continues at 26 weeks while the minimum is increased from 10 to 12½ weeks. It is proposed to make retroactive payments to claimants who have suffered another week of unemployment, for the waiting week. A system of establishing duration of three weeks of benefits for each four weeks of employment in the preceding 52 weeks is used. The wage base for the calculation of entitlement to benefits has been considerably broadened. The bill provides that 66⅔ per cent of the average weekly wage of the claimant shall be used for the purpose of determining the weekly benefit rate. Under the present complicated formula in the New Jersey unemployment and disability insurance laws, the actual replacement is approximately 59 per cent.

Further decentralization of unemployment compensation operations will be required. The new system provides that employers furnish, upon request, current wage data to the Division of Employment Security, Department of Labor and Industry, when the agency receives a claim for benefits. This will eliminate the extensive and cumbersome wage recording system now used in this State for unemployment and disability insurance purposes and, at the same time, is designed to speed up the determination of a claimant's eligibility. Employers will be requested to provide both wage data and information as to the conditions of separation from employment at the one time. There are provisions so that the claimant's affidavit, to the best of his knowledge, as to wages received and time worked will be accepted by the Division of Employment Security and benefits paid on that statement in cases where employers fail to provide the requested information within a seven-day period. Employers will currently receive a copy of the benefit check so that they may have prompt knowledge of the unemployment status of their former worker at all times. Under the present system, months elapse before an employer receives knowledge of the actual payment of

benefits to a separated employee. Benefits under this bill will be first charged against the last base year employer, who is the employer separating the worker. Subsequent charges will be made against the accounts of preceding employers in the base year.

Other changes include the qualifying requirement that in order to be eligible for benefits a claimant must have 17 weeks of employment at the rate of \$15.00 weekly during the 52 weeks immediately preceding the filing of his claim. Once the rate is established, employment with preceding employers will be used for the purpose of obtaining maximum duration for claimants. The fraud provisions of the law have been strengthened and employers who fail to provide wage information upon request will be subject to a \$5.00 penalty for each report they fail to submit.

This bill represents a constructive revision of the Unemployment Compensation Law of New Jersey.

[OFFICIAL COPY REPRINT]

SENATE, No. 270

STATE OF NEW JERSEY

INTRODUCED MAY 3, 1954

By Messrs. DUMONT and SHERSHIN

Referred to Committee on Labor and Industrial Relations

AN ACT concerning unemployment compensation and temporary disability benefits, and amending section 43:21-3 of the Revised Statutes.

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

1 1. Section 43:21-3 of the Revised Statutes is amended to read as
2 follows:

3 43:21-3. (a) Payment of benefits. All benefits shall be *promptly* paid
4 from the fund through **[the]** *local* employment offices **[, or such other agen-**
5 **cies as may be designated]** in accordance with such regulations as may be
6 prescribed hereunder.

7 (b) Weekly benefits for unemployment.

8 (1) With respect to an individual's benefit year commencing prior to
9 January 1, 1953, such individual, if eligible and unemployed (as defined in
10 subsection (m) of section 43:21-19 of this Title) in any week, shall be paid
11 with respect to such week (except as to final payment) an amount equal to
12 his weekly benefit rate less any remuneration in excess of \$3.00 paid or
13 payable to him for such week; provided, that such amount shall be com-
14 puted to the next highest multiple of \$1.00, if not already a multiple thereof.

15 (2) With respect to an individual's benefit year commencing on or after
16 January 1, 1953, such individual, if eligible and unemployed (as defined in

EXPLANATION—Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

17 subsection (m) of section 43:21-19 of this Title), shall be paid an amount
 18 (except as to final payment) equal to his weekly benefit rate with respect
 19 to any week in which he has earned no remuneration or remuneration equal
 20 to less than $\frac{1}{2}$ said rate, or shall be paid an amount equal to $\frac{1}{2}$ his weekly
 21 benefit rate with respect to any week in which he has earned remuneration
 22 equal to or more than $\frac{1}{2}$ said rate but less than said rate.

23 (c) Weekly benefit rate.

24 (1) With respect to an individual to whom benefits shall be payable as
 25 provided in paragraph (1) of subsection (b) of this section, the weekly
 26 benefit rate shall be $\frac{1}{22}$ of his total wages in that calendar quarter in which
 27 said total wages were highest during his base year; provided, that such rate
 28 shall be computed to the next highest multiple of \$1.00 if not already a
 29 multiple thereof, and shall not be more than \$30.00 nor less than \$10.00.

29A (2) With respect to an individual to whom benefits shall be payable as
 29B provided in paragraph (2) of subsection (b) of this section, his weekly ben-
 29C efit rate under each benefit determination shall be $\frac{2}{3}$ of his average weekly
 29D wage; provided, that such rate shall be computed to the next highest mul-
 29E tiple of \$1.00 if not already a multiple thereof, and shall not be more than
 29F \$30.00 nor less than \$10.00.

30 (d) Maximum total benefits.

31 (1) With respect to an individual to whom weekly benefits for unem-
 32 ployment shall be payable as provided in paragraph (1) of subsection (b) of
 33 this section, the maximum total amount of benefits payable to any eligible
 34 individual under either of subsections (c) and (f) of section 43:21-4 of this
 35 Title during any benefit year shall be either $\frac{1}{3}$ of his total wages during
 36 his base year, computed to the next highest multiple of \$1.00, if not already
 37 a multiple thereof, or 26 times his weekly benefit rate, whichever is the
 38 lesser; in no event, however, are such total benefits under either of said
 39 subsections (c) and (f) to be less than 10 times his weekly benefit rate. In
 40 the event that an individual qualified for benefits under both of said sub-
 41 sections during any benefit year, the maximum total amount of benefits pay-

42 able under said subsections combined to such individual during the benefit
 43 year shall be $1\frac{1}{2}$ times the maximum amount of benefits payable under one
 44 of said subsections.

45 (2) With respect to an individual to whom benefits shall be payable as
 46 provided in paragraph (2) of subsection (b) of this section:

47 (A) Such individual shall be entitled to receive, under each suc-
 48 cessive benefit determination relating to each of his base year employ-
 49 ers, a total amount of benefits equal to $\frac{3}{4}$ of his base weeks from the
 50 employer in question multiplied by his weekly benefit rate; but the
 51 amount of benefits thus resulting under any determination made with
 52 respect to an employer shall be adjusted to the next higher multiple
 53 of $\frac{1}{2}$ of said weekly benefit rate, if not already a multiple thereof.

54 (B) No such individual shall be entitled to receive benefits under
 55 this Title for more than 26 weeks in any benefit year under either of
 56 subsections (c) and (f) of section 43:21-4 of this Title. In the event
 57 that any individual qualified for benefits under both of said subsections
 58 during any benefit year, the maximum total amount of benefits pay-
 59 able under said subsections combined to such individual during the
 60 benefit year shall be $1\frac{1}{2}$ times the maximum amount of benefits pay-
 61 able under 1 of said subsections. For the purposes of this paragraph,
 62 any week for which an individual receives a half-payment as provided
 63 in paragraph (2) of subsection (b) of this section shall be counted as
 64 $\frac{1}{2}$ of a week.

65 (C) If the full weekly benefit rate cannot be paid to an individual
 66 who is otherwise entitled thereto because the amount of unused bene-
 67 fits remaining under the applicable benefit determination is only $\frac{1}{2}$ of
 68 said rate, he shall be paid that amount; but if such individual is en-
 69 titled to additional benefits under a successive determination, he shall
 70 also be paid for the week in question an amount equal to $\frac{1}{2}$ of his weekly
 71 benefit rate under said successive determination.

1 2. This act shall take effect with respect to initial claims and continued
 2 claims filed on and after January 1, 1955.

SENATE, No. 270

STATE OF NEW JERSEY

INTRODUCED MAY 3, 1954

By Mr. DUMONT

Referred to Committee on Labor and Industrial Relations

AN ACT concerning unemployment compensation and temporary disability benefits, and amending section 43:21-3 of the Revised Statutes.

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

1 1. Section 43:21-3 of the Revised Statutes is amended to read as
2 follows:

3 43:21-3. (a) Payment of benefits. All benefits shall be paid from the
4 fund through *the local* employment offices **],** or such other agencies as may
5 be designated**]** in accordance with such regulations as may be prescribed
6 hereunder.

7 (b) Weekly benefits for unemployment.

8 (1) With respect to an individual's benefit year commencing prior to
9 January 1, 1953, such individual, if eligible and unemployed (as defined in
10 subsection (m) of section 43:21-19 of this Title) in any week, shall be paid
11 with respect to such week (except as to final payment) an amount equal to
12 his weekly benefit rate less any remuneration in excess of \$3.00 paid or
13 payable to him for such week; provided, that such amount shall be com-
14 puted to the next highest multiple of \$1.00, if not already a multiple thereof.

15 (2) With respect to an individual's benefit year commencing on or after
16 January 1, 1953, such individual, if eligible and unemployed (as defined in

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

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17 subsection (m) of section 43:21-19 of this Title), shall be paid an amount
 18 (except as to final payment) equal to his weekly benefit rate with respect
 19 to any week in which he has earned no remuneration or remuneration equal
 20 to less than $\frac{1}{2}$ said rate, or shall be paid an amount equal to $\frac{1}{2}$ his weekly
 21 benefit rate with respect to any week in which he has earned remuneration
 22 equal to or more than $\frac{1}{2}$ said rate but less than said rate.

23 (c) Weekly benefit rate.

24 (1) With respect to an individual to whom benefits shall be payable as
 25 provided in paragraph (1) of subsection (b) of this section, the weekly
 26 benefit rate shall be $\frac{1}{22}$ of his total wages in that calendar quarter in which
 27 said total wages were highest during his base year; provided, that such rate
 28 shall be computed to the next highest multiple of \$1.00 if not already a
 29 multiple thereof, and shall not be more than \$30.00 nor less than \$10.00.

29A (2) With respect to an individual to whom benefits shall be payable as
 29B provided in paragraph (2) of subsection (b) of this section, his weekly ben-
 29C efit rate under each benefit determination shall be $\frac{2}{3}$ of his average weekly
 29D wage; provided, that such rate shall be computed to the next highest mul-
 29E tiple of \$1.00 if not already a multiple thereof, and shall not be more than
 29F \$30.00 nor less than \$10.00.

30 (d) Maximum total benefits.

31 (1) With respect to an individual to whom weekly benefits for unem-
 32 ployment shall be payable as provided in paragraph (1) of subsection (b) of
 33 this section, the maximum total amount of benefits payable to any eligible
 34 individual under either of subsections (c) and (f) of section 43:21-4 of this
 35 Title during any benefit year shall be either $\frac{1}{3}$ of his total wages during
 36 his base year, computed to the next highest multiple of \$1.00, if not already
 37 a multiple thereof, or 26 times his weekly benefit rate, whichever is the
 38 lesser; in no event, however, are such total benefits under either of said
 39 subsections (c) and (f) to be less than 10 times his weekly benefit rate. In
 40 the event that an individual qualified for benefits under both of said sub-
 41 sections during any benefit year, the maximum total amount of benefits pay-

42 able under said subsections combined to such individual during the benefit
 43 year shall be $1\frac{1}{2}$ times the maximum amount of benefits payable under one
 44 of said subsections.

45 (2) With respect to an individual to whom benefits shall be payable as
 46 provided in paragraph (2) of subsection (b) of this section:

47 (A) Such individual shall be entitled to receive, under each suc-
 48 cessive benefit determination relating to each of his base year employ-
 49 ers, a total amount of benefits equal to $\frac{3}{4}$ of his base weeks from the
 50 employer in question multiplied by his weekly benefit rate; but the
 51 amount of benefits thus resulting under any determination made with
 52 respect to an employer shall be adjusted to the next higher multiple
 53 of $\frac{1}{2}$ of said weekly benefit rate, if not already a multiple thereof.

54 (B) No such individual shall be entitled to receive benefits under
 55 this Title for more than 26 weeks in any benefit year under either of
 56 subsections (c) and (f) of section 43:21-4 of this Title. In the event
 57 that any individual qualified for benefits under both of said subsections
 58 during any benefit year, the maximum total amount of benefits pay-
 59 able under said subsections combined to such individual during the
 60 benefit year shall be $1\frac{1}{2}$ times the maximum amount of benefits pay-
 61 able under 1 of said subsections. For the purposes of this paragraph,
 62 any week for which an individual receives a half-payment as provided
 63 in paragraph (2) of subsection (b) of this section shall be counted as
 64 $\frac{1}{2}$ of a week.

65 (C) If the full weekly benefit rate cannot be paid to an individual
 66 who is otherwise entitled thereto because the amount of unused bene-
 67 fits remaining under the applicable benefit determination is only $\frac{1}{2}$ of
 68 said rate, he shall be paid that amount; but if such individual is en-
 69 titled to additional benefits under a successive determination, he shall
 70 also be paid for the week in question an amount equal to $\frac{1}{2}$ of his weekly
 71 benefit rate under said successive determination.

1 2. This act shall take effect with respect to initial claims and continued
 2 claims filed on and after January 1, 1955.

STATEMENT

The purpose of this bill is to provide speedier payment of unemployment benefits to claimants who are out of work through no fault of their own.

Under present procedures of the Division of Employment Security, an unemployed worker files a claim for benefits at one of the agency's 36 local employment offices. The local office then makes eligibility and monetary determinations as to the claimant's benefit status. Copies of these determinations are forwarded to the agency's central office at Trenton. Subsequently the claimant receives through the mail his unemployment benefits coupon booklet. When the claimant appears at the local office on his second assigned reporting date he signs a coupon which is transmitted to Trenton where a benefit check is drawn and mailed to the claimant's home address.

The present arrangement of decentralized local office determination of benefit status and central office check writing necessarily results in a delay of benefit payments to claimants. There is no good reason why the entire operation should not be consolidated at the local employment office level. Therefore, it is the intent of this bill that unemployment benefit checks should be drawn in the local employment offices and paid to eligible claimants when appearing on their assigned reporting dates. Failure to pay benefits at the local office precludes the "request reporting" system of unemployment insurance administration from operating at maximum effectiveness in speeding benefit checks to claimants.

SENATE COMMITTEE AMENDMENTS TO

SENATE, No. 270

STATE OF NEW JERSEY

ADOPTED MAY 24, 1954

Amend page 1, section 1, line 3, before the word "paid" insert "promptly".

Amend page 1, section 1, line 4, before the word "local" delete "the".

[THIRD OFFICIAL COPY REPRINT]

ASSEMBLY, No. 264

STATE OF NEW JERSEY

INTRODUCED MARCH 7, 1955

By Messrs. MOSCH and MINTZ

Referred to Committee on Labor and Industrial Relations

[AN ACT concerning unemployment compensation, and amending section 43:21-3 of the Revised Statutes.] *An act concerning unemployment compensation, and amending sections 43:21-3, 43:21-6 and 43:21-19 of the Revised Statutes.*

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

1 1. Section 43:21-3 of the Revised Statutes is amended to read as
2 follows:

3 43:21-3. (a) Payment of benefits. All benefits shall be *promptly* paid
4 from the fund through *local* employment offices[, or such other agencies as
5 may be designated] in accordance with such regulations as may be pre-
5A scribed hereunder.

6 (b) Weekly benefits for unemployment.

7 [(1) With respect to an individual's benefit year commencing prior to
8 January 1, 1953, such individual, if eligible and unemployed (as defined in
9 subsection (m) of section 43:21-19 of this Title) in any week, shall be paid
10 with respect to such week (except as to final payment) an amount equal to
11 his weekly benefit rate less any remuneration in excess of \$3.00 paid or pay-
12 able to him for such week; provided, that such amount shall be computed to
13 the next highest multiple of \$1.00, if not already a multiple thereof.

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

14 (2) With respect to an individual's benefit year commencing on or after
 15 January 1, 1953, such individual, if eligible and unemployed (as defined in
 16 subsection (m) of section 43:21-19 of this Title), shall be paid an amount
 17 (except as to final payment) equal to his weekly benefit rate with respect to
 18 any week in which he has earned no remuneration or remuneration equal to
 19 less than $\frac{1}{2}$ said rate, or shall be paid an amount equal to $\frac{1}{2}$ his weekly
 20 benefit rate with respect to any week in which he has earned remuneration
 21 equal to or more than $\frac{1}{2}$ said rate but less than said rate.

22 (c) Weekly benefit rate.

22A (1) *With respect to an individual whose benefit year commences prior to*
 22B *October 1, 1955, his weekly benefit rate under each benefit determination*
 22C *shall be $\frac{2}{3}$ of his average weekly wage; provided, that such rate shall be*
 22D *computed to the next highest multiple of \$1.00 if not already a multiple*
 22E *thereof, and shall not be more than \$30.00 nor less than \$10.00.*

23 [(1) With respect to an individual to whom benefits shall be payable as
 24 provided in paragraph (1) of subsection (b) of this section, the weekly bene-
 25 fit rate shall be $\frac{1}{22}$ of his total wages in that calendar quarter in which
 26 said total wages were highest during his base year; provided, that such rate
 27 shall be computed to the next highest multiple of \$1.00 if not already a mul-
 28 tiple thereof, and shall not be more than \$30.00 nor less than \$10.00.

29 [(2)] With respect to an individual to whom benefits shall be payable as
 30 provided in [paragraph (2) of subsection (b) of] this section, his weekly
 31 benefit rate under each benefit determination shall be $\frac{2}{3}$ of his average
 32 weekly wage; provided, that such rate shall be computed to the next highest
 33 multiple of \$1.00 if not already a multiple thereof, and shall not be more than
 34 [\$30.00] \$35.00 nor less than \$10.00.]

34A [(1)] (2) *With respect to an individual whose benefit year commences*
 34B *on or after October 1, 1955, and whose average weekly wage [(as defined in*
 34C *subsection (u) of section 43:21-19 of this Title)] does not exceed \$45.00, his*
 34D *weekly benefit rate under each benefit determination shall be $\frac{2}{3}$ of his*
 34E *average weekly wage; provided, that such rate shall be computed to the next*

34F highest multiple of \$1.00 if not already a multiple thereof, and shall not be
 34G more than \$30.00 nor less than \$10.00.

34H **[(2)]** (3) With respect to an individual whose benefit year commences
 34I on or after October 1, 1955, and whose average weekly wage **[(as defined in**
 34J subsection (u) of section 43:21-19 of this Title)**]** exceeds \$45.00, his weekly
 34K benefit rate under each benefit determination shall be \$30.00 plus **[1/5]**
 34L $2/5$ of the amount by which his average weekly wage exceeds \$45.00; pro-
 34M vided, that such rate shall be computed to be the next highest multiple of
 34N \$1.00 if not already a multiple thereof, and shall not be more than \$35.00.

35 (d) Maximum total benefits.

36 **[(1)]** With respect to an individual to whom weekly benefits for unem-
 37 ployment shall be payable as provided in paragraph (1) of subsection (b)
 38 of this section, the maximum total amount of benefits payable to any
 39 eligible individual under either of subsections (c) and (f) of section 43:21-4
 40 of this Title during any benefit year shall be either $1/3$ of his total wages
 41 during his base year, computed to the next highest multiple of \$1.00, if not
 42 already a multiple thereof, or 26 times his weekly benefit rate, whichever
 43 is the lesser; in no event, however, are such total benefits under either of
 44 said subsections (c) and (f) to be less than 10 times his weekly benefit rate.
 45 In the event that an individual qualified for benefits under both of said sub-
 46 sections during any benefit year, the maximum total amount of benefits pay-
 47 able under said subsections combined to such individual during the benefit
 48 year shall be $1\frac{1}{2}$ times the maximum amount of benefits payable under 1
 49 of said subsections.

50 **(2)]** With respect to an individual to whom benefits shall be payable as
 51 provided in **[paragraph (2) of subsection (b) of]** this section:

52 **[(A)]** (1) Such individual shall be entitled to receive, under each suc-
 53 cessive benefit determination relating to each of his base year employers,
 54 a total amount of benefits equal to $3/4$ of his base weeks from the em-
 55 ployer in question multiplied by his weekly benefit rate; but the amount
 56 of benefits thus resulting under any determination made with respect

57 to an employer shall be adjusted to the next higher multiple of $\frac{1}{2}$ of
 58 said weekly benefit rate, if not already a multiple thereof.

59 **[(B)]** (2) No such individual shall be entitled to receive benefits
 60 under this Title for more than 26 weeks in any benefit year under either
 61 of subsections (c) and (f) of section 43:21-4 of this Title. In the event
 62 that any individual qualifies for benefits under both of said subsections
 63 during any benefit year, the maximum total amount of benefits payable
 64 under said subsections combined to such individual during the benefit
 65 year shall be $1\frac{1}{2}$ times the maximum amount of benefits payable under
 66 1 of said subsections. For the purposes of this paragraph, any week
 67 for which an individual receives a half-payment as provided in **[para-**
 68 **graph (2) of]** subsection (b) of this section shall be counted as $\frac{1}{2}$ of a
 69 week.

70 **[(C)]** (3) If the full weekly benefit rate cannot be paid to an indi-
 71 vidual who is otherwise entitled thereto because the amount of unused
 72 benefits remaining under the applicable benefit determination is only $\frac{1}{2}$ of
 73 said rate, he shall be paid that amount; but if such individual is entitled
 74 to additional benefits under a successive determination, he shall also be
 75 paid for the week in question an amount equal to $\frac{1}{2}$ of his weekly bene-
 76 fit rate under said successive determination.

1 **[2. This act shall take effect [July] October 1, 1955.]**

1 2. *Section 43:21-6 of the Revised Statutes is amended to read as*
 2 *follows:*

3 43:21-6. (a) *Filing. Claims for benefits shall be made in accordance*
 4 *with such regulations as the Director of the Division of Employment Secu-*
 5 *rity of the Department of Labor and Industry of the State of New Jersey*
 6 *may approve. Each employer shall post and maintain on his premises printed*
 7 *notices of his subject status, of such design, in such numbers, and at such*
 8 *places as the director of the division may determine to be necessary to give*
 9 *notice thereof to persons in the employer's service. Each employer shall give*
 10 *to each individual at the time he becomes unemployed a printed copy of*

11 *benefit instructions. Both the aforesaid notices and instruction shall be sup-*
 12 *plied by the division to employers without cost to them.*

13 **(b) (1)** *Procedure for making determinations with respect to benefit*
 14 *years commencing prior to January 1, 1953. (A) Initial determinations.*
 15 *The director of the division shall designate a representative or representa-*
 16 *tives to promptly examine the claims and to determine which claims do and*
 17 *which claims do not meet the requirements of section 4 (e); and as to those*
 18 *claims meeting the requirements of section 4 (e) to further determine the*
 19 *weekly benefit rates and the maximum total benefits payable. Each claim-*
 20 *ant shall promptly be notified of the determination of his claim.*

21 **(B)** *Weekly determinations. The director of the division shall assign a*
 22 *representative or representatives to each local claims office for the purpose*
 23 *of making weekly determinations (except those under subsections 4 (f) and*
 24 *5 (d) in the course of the benefit year, in accordance with the initial deter-*
 25 *mination of a valid claim. Whenever a determination of eligibility shall be*
 26 *made with respect to the first week of the benefit year for which benefits are*
 27 *claimed, the claimant, the last employing unit and all employers in the base*
 28 *year shall be promptly notified of such determination. Whenever a deter-*
 29 *mination of ineligibility or disqualification shall be made with respect to any*
 30 *week of the benefit year, the claimant shall be promptly notified of such*
 31 *determination.*

32 **(C)** *Any claimant or any interested entity or person may file an appeal*
 33 *from any determination under paragraphs (1) and (2) of this subsection*
 34 *within 5 calendar days after the delivery of notification, or within 7 calen-*
 35 *dar days after the mailing of notification, of such determination. Unless*
 36 *such an appeal is filed such determination shall be final and benefits shall*
 37 *be paid or denied in accordance therewith. If an appeal is duly filed, benefits*
 38 *with respect to the period covered by the appeal shall be payable only after*
 39 *a determination of entitlement by the appellate tribunal; benefits payable for*
 40 *periods pending an appeal and not in dispute shall be paid as such benefits*

41 accrue; provided, that insofar as any such appeal is or may be an appeal
 42 from a determination to the effect that the claimant is disqualified under the
 43 provisions of section 43:21-5 of the Revised Statutes or any amendments
 44 thereof or supplements thereto, benefits pending determination of the ap-
 45 peal shall be withheld only for the period of disqualification as provided
 46 for in said section, and notwithstanding such appeal the benefits otherwise
 47 provided by this act shall be paid for the period subsequent to such period
 48 of disqualification; and provided, also, that if there are 2 determinations of
 49 entitlement, benefits for the period covered by such determination shall be
 50 paid regardless of any appeal which may thereafter be taken, but no em-
 51 ployer's account shall be charged with benefits so paid if the decision is
 52 finally reversed.

53 (2) Procedure for making initial determinations with respect to benefit
 54 years commencing on or after January 1, 1953.

55 A representative or representatives designated by the director of the
 56 division and hereinafter referred to as a "deputy" shall promptly examine
 57 the claim, and shall notify the most recent employing unit and, successively
 58 as necessary, each employer in inverse chronological order during the base
 59 year. Such notification shall require said employing unit and employer to
 60 furnish such information to the deputy as may be necessary to determine
 61 the claimant's eligibility and his benefit rights with respect to the employer
 62 in question, and such notification shall also provide the most recent charge-
 63 able employer in the base year with the name and address of the most recent
 64 employing unit of the claimant.

65 In his discretion, the director may appoint special deputies to make ini-
 66 tial or subsequent determinations under subsections 4 (f) and 5 (d) of this
 67 chapter.

68 If any employer or employing unit fails to respond to the request for
 69 information within 7 days after the mailing of such request, the deputy shall
 70 rely entirely on information from other sources, including an affidavit to the
 71 best of the knowledge and belief of the claimant with respect to his wages

72 and time worked. Except in the event of fraud, if it is determined that any
73 information in such affidavit is erroneous, no penalty shall be imposed on
74 the claimant.

75 The deputy shall promptly make an initial determination based upon the
76 available information. The initial determination shall show the weekly bene-
77 fit amount payable, the maximum duration of benefits with respect to the em-
78 ployer to whom the determination relates, and also shall show whether the
79 claimant is ineligible or disqualified for benefits under the initial determina-
80 tion. The claimant and the employer whose account may be charged for
81 benefits payable pursuant to said determination shall be promptly notified
82 thereof.

83 Whenever an initial determination is based upon information other than
84 that supplied by an employer because such employer failed to respond to
85 the deputy's request for information, such initial determination and any
86 subsequent determination thereunder shall be incontestable by the noncom-
87 plying employer, as to any charges to his employer's account because of
88 benefits paid prior to the close of the calendar week following the receipt of
89 his reply. Such initial determination shall be altered if necessary upon re-
90 ceipt of information from the employer, and any benefits paid or payable
91 with respect to weeks occurring subsequent to the close of the calendar week
92 following the receipt of the employer's reply shall be paid in accordance
93 with such altered initial determination.

94 The deputy shall issue a separate initial benefit determination with re-
95 spect to each of the claimant's base year employers, starting with the most
96 recent employer and continuing as necessary in the inverse chronological
97 order of the claimant's last date of employment with each such employer.
98 If an appeal is taken from an initial determination as hereinafter provided
99 by any employer other than the first chargeable base-year employer, then
100 such appeal shall be limited in scope to include only 1 or more of the follow-
101 ing matters:

102 *(A) the correctness of the benefit payments authorized to be made*
 103 *under the determination;*

104 *(B) fraud in connection with the claim pursuant to which the initial*
 105 *determination is issued; or*

106 *(C) the refusal of suitable work offered by the chargeable em-*
 107 *ployer filing the appeal.*

108 *The amount of benefits payable under an initial determination may be*
 109 *reduced or canceled if necessary to avoid payment of benefits for a number*
 110 *of weeks in excess of the maximum specified in subsection (d) of section*
 111 *43:21-3 of this Title.*

112 *Unless the claimant or any interested party within 7 calendar days after*
 113 *delivery of notification of an initial determination or within 10 calendar*
 114 *days after such notification was mailed to his or their last-known address*
 115 *and addresses, files an appeal from such decision, such decision shall be final*
 116 *and benefits shall be paid or denied in accordance therewith, except for such*
 117 *determinations as may be altered in benefit amounts or duration as pro-*
 118 *vided in this paragraph. If an appeal is duly filed, benefits with respect*
 119 *to the period covered by the appeal shall be payable only after a determina-*
 120 *tion of entitlement by the appellate tribunal; benefits payable for periods*
 121 *pending an appeal and not in dispute shall be paid as such benefits accrue;*
 122 *provided, that insofar as any such appeal is or may be an appeal from a de-*
 123 *termination to the effect that the claimant is disqualified under the provi-*
 124 *sions of section 43:21-5 of the Revised Statutes or any amendments thereof*
 125 *or supplements thereto, benefits pending determination of the appeal shall*
 126 *be withheld only for the period of disqualification as provided for in said*
 127 *section, and notwithstanding such appeal the benefits otherwise provided by*
 128 *this act shall be paid for the period subsequent to such period of disquali-*
 129 *fication; and provided, also, that if there are 2 determinations of entitlement,*
 130 *benefits for the period covered by such determinations shall be paid regard-*
 131 *less of any appeal which may thereafter be taken, but no employer's account*
 132 *shall be charged with benefits so paid if the decision is finally reversed.*

133 (3) *Procedure for making initial determinations in certain cases of con-*
 134 *current employment, with respect to benefit years commencing on or after*
 135 *January 1, 1953.*

136 *Notwithstanding any other provisions of this Title, if an individual*
 137 *shows to the satisfaction of the deputy that there were at least 13 weeks in*
 138 *his base period in each of which he earned wages from 2 or more employ-*
 139 *ers totaling \$15.00 or more but in each of which there was no single em-*
 140 *ployer from whom he earned as much as \$15.00, then such individual's claim*
 141 *shall be determined in accordance with the special provisions of this para-*
 142 *graph. In such case, the deputy shall determine the individual's eligibility*
 143 *for benefits, his average weekly wage, weekly benefit rate and maximum*
 144 *total benefits as if all his base year employers were a single employer. Such*
 145 *determination shall apportion the liability for benefit charges thereunder to*
 146 *the individual's several base year employers so that each employer's maxi-*
 147 *mum liability for charges thereunder bears approximately the same relation*
 148 *to the maximum total benefits allowed as the wages earned by the individual*
 149 *from each employer during the base year bears to his total wages earned*
 150 *from all employers during the base year. Such initial determination shall*
 151 *also specify the individual's last date of employment within the base year*
 152 *with respect to each base year employer, and such employers shall be*
 153 *charged for benefits paid under said initial determination in the inverse*
 154 *chronological order of such last dates of employment.*

155 (4) *Procedure for making subsequent determinations with respect to*
 156 *benefit years commencing on or after January 1, 1953. The deputy shall*
 157 *make determinations with respect to claims for benefits thereafter in the*
 158 *course of the benefit year in accordance with any initial determination al-*
 159 *lowing benefits, and under which benefits have not been exhausted, and each*
 160 *notification of a benefit payment shall be a notification of an affirmative*
 161 *subsequent determination. The allowance of benefits by the deputy on any*
 162 *such determination, or the denial of benefits by the deputy on any such*

163 *determination, shall be appealable in the same manner and under the same*
164 *limitations as is provided in the case of initial determinations.*

165 (c) *Appeals. Unless such appeal is withdrawn, an appeal tribunal, after*
166 *affording the parties reasonable opportunity for fair hearing, shall affirm or*
167 *modify the findings of fact and the determination. The parties shall be duly*
168 *notified of such tribunal's decision, together with its reasons therefor, which*
169 *shall be deemed to be the final decision of the board of review, unless within*
170 *10 days after the date of notification or mailing of such decision, fur-*
171-172 *ther appeal is initiated pursuant to subsection (e) of this section.*

173 (d) *Appeal tribunals. To hear and decide disputed benefit claims, in-*
174 *cluding appeals from determinations with respect to demands for refunds of*
175 *benefits under section 43:21-16 (d) of this chapter (R. S. 43:21-1 et seq.),*
176 *the director with the approval of the Commissioner of Labor and Industry*
177 *shall establish 1 or more impartial appeal tribunals consisting in each case of*
178 *either a salaried examiner or a body, consisting of 3 members, 1 of whom*
179 *shall be a salaried examiner, who shall serve as chairman, 1 of whom shall*
180 *be a representative of employers and the other of whom shall be a repre-*
181 *sentative of employees; each of the latter 2 members shall serve at the*
182 *pleasure of the commissioner and be paid a fee of not more than \$20.00 per*
183 *day of active service on such tribunal plus necessary expenses. No person*
184 *shall participate on behalf of the division in any case in which he is an in-*
185 *terested party. The director may designate alternates to serve in the ab-*
186 *sence or disqualification of any member of an appeal tribunal. The chair-*
187 *man shall act alone in the absence or disqualification of any other member*
188 *and his alternates. In no case shall the hearings proceed unless the chair-*
189 *man of the appeal tribunal is present.*

190 (e) *Board of review. The board of review may on its own motion*
191 *affirm, modify, or set aside any decision of an appeal tribunal on the basis*
192 *of the evidence previously submitted in such case, or direct the taking of*
193 *additional evidence, or may permit any of the parties to such decision to*

194 *initiate further appeals before it. The board of review shall permit such*
195 *further appeal by any of the parties interested in a decision of an appeal*
196 *tribunal which is not unanimous and from any determination which has been*
197 *overruled or modified by any appeal tribunal. The board of review may re-*
198 *move to itself or transfer to another appeal tribunal the proceedings on any*
199 *claim pending before an appeal tribunal. Any proceeding so removed to*
200 *the board of review shall be heard by a quorum thereof in accordance with*
201 *the requirements of subsection (c) of this section. The board of review*
202 *shall promptly notify the interested parties of its findings and decision.*

203 *(f) Procedure. The manner in which disputed benefit claims, and ap-*
204 *peals from determinations with respect to (1) claims for benefits and (2)*
205 *demands for refunds of benefits under section 43:21-16 (d) of this chapter*
206 *(R. S. 43:21-1 et seq.) shall be presented, the reports thereon required from*
207 *the claimant and from employers, and the conduct of hearings and appeals*
208 *shall be in accordance with rules prescribed by the board of review for de-*
209 *termining the rights of the parties, whether or not such rules conform to*
210 *common law or statutory rules of evidence and other technical rules of pro-*
211 *cedure. A full and complete record shall be kept of all proceedings in con-*
212 *nection with a disputed claim. All testimony at any hearing upon a disputed*
213 *claim shall be recorded, but need not be transcribed unless the disputed*
214 *claim is further appealed.*

215 *(g) Witness fees. Witnesses subpoenaed pursuant to this section shall*
216 *be allowed fees at a rate fixed by the director. Such fees and all expenses*
217 *of proceedings involving disputed claims shall be deemed a part of the ex-*
218 *pense of administering this chapter (R. S. 43:21-1 et seq.).*

219 *(h) Court review. Any decision of the board of review shall become*
220 *final as to any party upon the mailing of a copy thereof to such party or to*
221 *his attorney, or upon the mailing of a copy thereof to such party at his last-*
222 *known address. The Division of Employment Security and any party to a*
223 *proceeding before the board of review may secure judicial review of the final*
224 *decision of the board of review. Any party not joining in the appeal shall*

225 be made a defendant; the board of review shall be deemed to be a party to
 226 any judicial action involving the review of, or appeal from, any of its deci-
 227 sions, and may be represented in any such judicial action by any qualified
 228 attorney who may be a regular salaried employee of the board of review or
 229 has been designated by it for that purpose, or, at the board of review's re-
 230 quest, by the Attorney-General.

231 (i) *Failure to give notice.* The failure of any public officer or employee
 232 at any time heretofore or hereafter to give notice of determination or de-
 233 cision required in subsections (b), (c) and (e) of this section, as originally
 234 passed or amended, shall not relieve any employer's account of any charge
 235 by reason of any benefits paid unless and until that employer can show to
 236 the satisfaction of the director of the division that the said benefits, in
 237 whole or in part, would not have been charged or chargeable to his account
 238 had such notice been given. Any determination hereunder by the director
 239 shall be subject to court review.

1 3. Section 43:21-19 of the Revised Statutes is amended to read as follows:

2 43:21-19. As used in this chapter, unless the context clearly requires
 3 otherwise:

4 (a) (1) "Annual payroll" means the total amount of wages paid during
 5 a calendar year (regardless of when earned) by an employer for employ-
 6 ment.

7 (2) "Average annual payroll" means the average of the annual pay-
 8 rolls of any employer for the last 3 or 5 preceding calendar years, which-
 9 ever average is higher, except that any year or years throughout which an
 10 employer has had no "annual payroll" because of military service shall be
 11 deleted from the reckoning; the "average annual payroll" in such case is to
 12 be determined on the basis of the prior 3 or 5 calendar years in each of which
 13 the employer had an "annual payroll" in the operation of his business, if the
 14 employer resumes his business within 12 months after separation, discharge or
 15 release from such service, under conditions other than dishonorable, and
 16 makes application to have his "average annual payroll" determined on the

17 basis of such deletion within 12 months after he resumes his business; pro-
 18 vided, however, that “average annual payroll” solely for the purposes of
 19 paragraph (3) of subsection (e) of section 43:21-7 of this Title means the
 20 average of the annual payrolls of any employer, on which he paid contribu-
 21 tions to the State disability benefits fund, for the last 3 or 5 preceding calen-
 22 dar years, whichever average is higher; provided further, that only those
 23 wages be included on which employer contributions have been paid on or
 24 before January 31 immediately preceding the beginning of the 12-months’
 25 period for which the employer’s contribution rate is computed.

26 (b) “Benefits” means the money payments payable to an individual, as
 27 provided in this chapter, with respect to his unemployment.

28 (c) (1) The term “base year” with respect to benefit years commencing
 29 prior to January 1, 1953, means the first 4 of the last 5 completed calendar
 30 quarters immediately preceding the first day of an individual’s benefit year;
 31 provided, that no calendar quarter shall comprise a part of more than 1 base
 32 year.

33 (2) “Base year” with respect to benefit years commencing on or after
 34 January 1, 1953, shall mean the 52 calendar weeks ending with the second
 35 week immediately preceding an individual’s benefit year.

36 (d) “Benefit year” with respect to any individual means the 364 consecu-
 37 tive calendar days beginning with the day on, or as of, which he first files a
 38 valid claim for benefits, and thereafter beginning with the day on, or as of,
 39 which the individual next files a valid claim for benefits after the termination
 40 of his last preceding benefit year. Any claim for benefits made in accordance
 41 with subsection (a) of section 43:21-6 of this Title shall be deemed to be a
 42 “valid claim” for the purpose of this subsection if (1) no remuneration was
 43 paid or is payable for the day on which, or as of which he files a claim for
 44 benefits, and no work is available to him with his current employing unit on
 45 such day, or, he is unemployed for the week in which, or as of which, he files
 46 a claim for benefits; and (2) he has fulfilled the conditions imposed by sub-
 47 section (e) of section 43:21-4 of this Title.

48 (e) “Division” means the Division of Employment Security of the De-
 49 partment of Labor and Industry established by chapter 446, P. L. 1948, and
 50 any transaction or exercise of authority by the director of the division there-
 51 under, or under this chapter (R. S. 43:21-1 et seq.), shall be deemed to be per-
 52 formed by the division.

53 (f) “Contributions” means the money payments to the State unemploy-
 54 ment compensation fund required by this chapter.

55 (g) “Employing unit” means any individual or type of organization, in-
 56 cluding any partnership, association, trust, estate, joint-stock company, insur-
 57 ance company or corporation, whether domestic or foreign, or the receiver,
 58 trustee in bankruptcy, trustee or successor thereof, or the legal representative
 59 of a deceased person, which has or subsequent to January 1, 1936, had in its
 60 employ 1 or more individuals performing services for it within this State. All
 61 individuals performing services within this State for any employing unit which
 62 maintains 2 or more separate establishments within this State shall be deemed
 63 to be employed by a single employing unit for all the purposes of this chap-
 64 ter. Whenever any employing unit contracts with or has under it any contrac-
 65 tor or subcontractor for any employment which is part of its usual trade,
 66 occupation, profession, or business, unless the employing unit as well as each
 67 such contractor or subcontractor is an employer by reason of subsection (c)
 68 of section 43:21-8 of this Title or subsection (h) of this section, the employ-
 69 ing unit shall for all the purposes of this chapter be deemed to employ each
 70 individual in the employ of each such contractor or subcontractor for each
 71 day during which such individual is engaged in performing such employment;
 72 except that each such contractor or subcontractor who is an employer by rea-
 73 son of subsection (c) of section 43:21-8 of this Title or subsection (h) of this
 74 section, shall alone be liable for the contributions measured by wages payable
 75 to individuals in his employ, and except that any employing unit who shall be-
 76 come liable for and pay contributions with respect to individuals in the employ
 77 of any such contractor or subcontractor who is not an employer by reason of
 78 subsection (c) of section 43:21-8 of this Title or subsection (h) of this section,

79 may recover the same from such contractor or subcontractor. Each individ-
 80 ual employed to perform or to assist in performing the work of any agent or
 81 employee of an employing unit shall be deemed to be employed by such em-
 82 ploying unit for all the purposes of this chapter, whether such individual was
 83 hired or paid directly by such employing unit or by such agent or employee;
 84 provided, the employing unit had actual or constructive knowledge of the
 85 work.

86 (h) "Employer" means:

87 (1) Any employing unit which for some portion of a day, but not
 88 necessarily simultaneously, in each of 20 different weeks, whether or not
 89 such weeks are or were consecutive, within either the current or the preced-
 90 ing calendar year, has or had in employment 4 or more individuals (irre-
 91 spective of whether the same individuals are or were employed in each such
 92 day);

93 (2) Any employing unit which acquired the organization, trade or busi-
 94 ness, or substantially all the assets thereof, of another which at the time of
 95 such acquisition was an employer subject to this chapter;

96 (3) Any employing unit which acquired the organization, trade or busi-
 97 ness, or substantially all the assets thereof, of another employing unit and
 98 which, if treated as a single unit with such other employing unit, would be an
 99 employer under paragraph (1) of this subsection;

100 (4) Any employing unit which together with 1 or more other employing
 101 units, is owned or controlled (by legally enforceable means or otherwise), di-
 102 rectly or indirectly by the same interests, or which owns or controls 1 or more
 103 other employing units (by legally enforceable means or otherwise), and which,
 104 if treated as a single unit with such other employing unit or interest, would be
 105 an employer under paragraph (1) of this subsection;

106 (5) Any employing unit which, having become an employer under para-
 107 graphs (1), (2), (3) or (4), has not, under section 43:21-8 of this Title, ceased
 108 to be an employer subject to this chapter; or

109 (6) *For the effective period of its election pursuant to subsection (c) of*
 110 *section 43:21-8 of this Title any other employing unit which has elected to be-*
 111 *come fully subject to this chapter.*

112 (i) (1) *“Employment” means service, including service in interstate com-*
 113 *merce performed for remuneration or under any contract of hire, written or*
 114 *oral, express or implied.*

115 (2) *The term “employment” shall include an individual’s entire service*
 116 *performed within or both within and without this State if:*

117 (A) *The service is localized in this State; or*

118 (B) *The service is not localized in any State but some of the service*
 119 *is performed in this State, and (i) the base of operations, or, if there is no*
 120 *base of operations, then the place from which such service is directed or*
 121 *controlled, is in this State; or (ii) the base of operations or place from*
 122 *which such service is directed or controlled is not in any State in which*
 123 *some part of the service is performed, but the individual’s residence is in*
 124 *this State.*

125 (3) *Services performed within this State but not covered under paragraph*
 126 *(2) of this subsection shall be deemed to be employment subject to this chap-*
 127 *ter if contributions are not required and paid with respect to such services*
 128 *under an unemployment compensation law of any other State or of the Fed-*
 129 *eral Government.*

130 (4) *Services not covered under paragraph (2) of this subsection, and*
 131 *performed entirely without this State, with respect to no part of which con-*
 132 *tributions are required and paid under an unemployment compensation law*
 133 *of any other State or of the Federal Government, shall be deemed to be em-*
 134 *ployment subject to this chapter if the individual performing such services*
 135 *is a resident of this State and the division approves the election of the em-*
 136 *ploying unit for whom such services are performed that the entire service of*
 137 *such individual shall be deemed to be employment subject to this chapter;*
 138 *provided, written objections on the part of a substantial proportion of such*

139 *individuals affected are not presented to the division within 10 days follow-*
140 *ing the filing of such election.*

141 *(5) Service shall be deemed to be localized within a State if*

142 *(A) the service is performed entirely within such State; or*

143 *(B) the service is performed both within and without such State, but*
144 *the service performed without such State is incidental to the individual's*
145 *service within the State, for example, is temporary or transitory in*
146 *nature or consists of isolated transactions.*

147 *(6) Services performed by an individual for remuneration shall be*
148 *deemed to be employment subject to this chapter unless and until it is shown*
149 *to the satisfaction of the division that*

150 *(A) such individual has been and will continue to be free from con-*
151 *trol or direction over the performance of such service both under his*
152 *contract of service and in fact; and*

153 *(B) such service is either outside the usual course of the business for*
154 *which such service is performed, or that such service is performed out-*
155 *side of all the places of business of the enterprise for which such serv-*
156 *ice is performed; and*

157 *(C) such individual is customarily engaged in an independently*
158 *established trade, occupation, profession or business.*

159 *(7) The term "employment" shall not include:*

160 *(A) Agricultural labor;*

161 *(B) Domestic service in a private home;*

162 *(C) Service performed by an individual in the employ of his son,*
163 *daughter or spouse, and service performed by a child under the age of 21*
164 *in the employ of his father or mother;*

165 *(D) Service performed in the employ of this State or of any po-*
166 *litical subdivision thereof or of any instrumentality of this State or its*
167 *political subdivisions;*

168 *(E) Service performed in the employ of any other State or its po-*
169 *litical subdivisions, or of the United States Government, or of an instru-*

170 *mentality of any other State or States or their political subdivisions or*
 171 *of the United States;*

172 *(F) Services performed in the employ of a corporation, commu-*
 173 *nity chest, fund, or foundation, organized and operated exclusively for*
 174 *religious, charitable, scientific, literary, hospital, benevolent, philan-*
 175 *thropic, or educational purposes, or for the prevention of cruelty to chil-*
 176 *dren or animals, no part of the net earnings of which inures to the bene-*
 177 *fit of any private shareholder or individual;*

178 *(G) Services performed in the employ of fraternal beneficiary*
 179 *societies, orders, or associations operating under the lodge system or for*
 180 *the exclusive benefit of the members of a fraternity itself operating un-*
 181 *der the lodge system and providing for the payment of life, sick, accident*
 182 *or other benefits to the members of such society, order, or association,*
 183 *or their dependents;*

184 *(H) Services performed as an officer or other employee of any build-*
 185 *ing and loan association of this State, except where such services con-*
 186 *stitute the principal employment of the individual; services performed*
 187 *as an officer or other employee of any building and loan association where*
 188 *such association is a member of the Federal Home Loan Bank System;*
 189 *services performed as an officer or other employee of any bank which is*
 190 *a member of the Federal Reserve System;*

191 *(I) Service performed after June 30, 1939, with respect to which*
 192 *unemployment compensation is payable under the Railroad Unemploy-*
 193 *ment Insurance Act (52 Stat. 1094).*

194 *(J) Service performed by agents of insurance companies, exclusive*
 195 *of industrial insurance agents, or by agents of investment companies,*
 196 *who are compensated wholly on a commission basis.*

197 *(K) Services performed by real estate salesmen or brokers who are*
 198 *compensated wholly on a commission basis.*

199 *(L) Services performed in the employ of any veterans' organization*
 200 *chartered by Act of Congress or of any auxiliary thereof, no part of the*

201 *net earnings of which organization, or auxiliary thereof, inures to the*
 202 *benefit of any private shareholder or individual.*

203 *(M) Service heretofore or hereafter performed for or in behalf of*
 204 *the owner or operator of any theatre, ballroom, amusement hall or other*
 205 *place of entertainment, not in excess of 10 weeks in any calendar year for*
 206 *the same owner or operator, by any leader or musician of a band or*
 207 *orchestra commonly called a "name band," entertainer, vaudeville art-*
 208 *ist, actor, actress, singer or other entertainer.*

209 *(N) Services performed by an individual for a labor union organi-*
 210 *zation, known and recognized as a union local, as a member of a com-*
 211 *mittee or committees reimbursed by the union local for time lost from*
 212 *regular employment, or as a part-time officer of a union local and the re-*
 213 *muneration for such services is less than \$250.00 in a calendar year.*

214 *(j) "Employment office" means a free public employment office, or branch*
 215 *thereof operated by this State or maintained as a part of a State-controlled*
 216 *system of public employment offices.*

217 *(k) "Fund" means the unemployment compensation fund established by*
 218 *this chapter, to which all contributions required and from which all benefits*
 219 *provided under this chapter shall be paid.*

220 *(l) "State" includes, in addition to the States of the United States of*
 221 *America, Alaska, Hawaii, and the District of Columbia.*

222 *(m) Unemployment.*

223 *(1) An individual shall be deemed "unemployed" for any week during*
 224 *which he is not engaged in full-time work and with respect to which his re-*
 225 *muneration is less than his weekly benefit rate.*

226 *(2) The term "remuneration," with respect to benefit years commenc-*
 227 *ing prior to January 1, 1953, and as used in this subsection, shall include*
 228 *only that part of the same which exceeds \$3.00 for any 1 week.*

229 *(3) An individual's week of unemployment shall be deemed to com-*
 230 *mence only after his registration at an employment office, except as the divi-*
 231 *sion may by regulation otherwise prescribe.*

232 (n) *“Unemployment compensation administration fund” means the un-*
 233 *employment compensation administration fund established by this chapter*
 234 *from which administrative expenses under this chapter shall be paid.*

235 (o) *“Wages” means remuneration payable by employers for employ-*
 236 *ment prior to January 1, 1947, and paid prior to such date; and means re-*
 237 *muneration paid subsequent to December 31, 1946, by employers for employ-*
 238 *ment; provided, however, that for eligibility and benefit purposes wages*
 239 *earned but not paid when the amount thereof has been calculated and is due*
 240 *as determined by the established and customary practices of the employer*
 241 *shall be construed as having been paid when earned.*

242 (p) *“Remuneration” means all compensation for personal services, in-*
 243 *cluding commissions and bonuses and the cash value of all compensation in*
 244 *any medium other than cash.*

245 (q) *“Week” means such period or periods of 7 consecutive days end-*
 246 *ing at midnight, as the division may by regulation prescribe.*

247 (r) *“Calendar quarter” means the period of 3 consecutive calendar*
 248 *months ending on March 31, June 30, September 30, or December 31.*

249 (s) *“Investment company” means any company as defined in paragraph*
 250 *1-a of chapter 322 of the laws of 1938, entitled “An act concerning investment*
 251 *companies, and supplementing Title 17 of the Revised Statutes by adding*
 252 *thereto a new chapter entitled ‘investment companies.’ ”*

253 (t) *“Base week” means any calendar week of an individual’s base year*
 254 *during which he earned in employment from an employer remuneration equal*
 255 *to not less than \$15.00; provided, if in any calendar week, an individual is in*
 256 *employment with more than 1 employer, he may in such calendar week estab-*
 257 *lish a base week with respect to each such employer from whom the individual*
 258 *earns remuneration equal to not less than \$15.00 during such week.*

259 (u) *“Average weekly wage” means the amount derived by dividing an*
 260 *individual’s total wages received during his base year base weeks from that*
 261 *most recent base year employer with whom he had established at least 17*
 262 *base weeks by the number of base weeks in which such wages were earned.*

263 *In the event that such claimant had no employer in his base year with whom*
 264 *he had established at least 17 base weeks, then such individual's average*
 265 *weekly wage shall be computed as if all of his base week wages were received*
 266 *from 1 employer and as if all his base weeks of employment had been per-*
 267 *formed in the employ of 1 employer.*

268 *If on application of a claimant it is determined that he has been em-*
 269 *ployed during at least the 4 weeks immediately preceding his separation from*
 270 *employment by an employer on a substantially reduced schedule of weekly*
 271 *hours due to lack of work, all weeks of substantially reduced schedule within*
 272 *the base period and his wages therefor shall be disregarded in computing*
 273 *his average weekly wage.*

274 *(v) "Initial determination" means, subject to the provisions of R. S.*
 275 *43:21-6 (b) and (3), a determination of benefit rights as measured by an*
 276 *eligible individual's base year employment with a single employer covering*
 277 *all periods of employment with that employer during the base year. Subject*
 278 *to the provisions of R. S. 43:21-3 (d) (3) an individual has been in employ-*
 279 *ment in his base year with more than 1 employer, no benefits shall be paid to*
 280 *that individual under any successive initial determination until his benefit*
 281 *rights have been exhausted under the next preceding initial determination.*

282 *(w) "Last date of employment" means the last calendar day in the base*
 283 *year of an individual on which he performed services in employment for a*
 284 *given employer.*

285 *(x) "Most recent base year employer" means that employer with whom*
 286 *the individual most recently, in point of time, performed services in employ-*
 287 *ment in the base year.*

288 *4. This act shall take effect [October 1, 1955, and shall apply only with*
 289 *respect to benefit years beginning on and after October 1, 1955] immediately.*

ASSEMBLY, No. 264

STATE OF NEW JERSEY

INTRODUCED MARCH 7, 1955

By Messrs. MOSCH and MINTZ

Referred to Committee on Labor and Industrial Relations

AN ACT concerning unemployment compensation, and amending section 43:21-3
of the Revised Statutes.

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

1 1. Section 43:21-3 of the Revised Statutes is amended to read as
2 follows:

3 43:21-3. (a) Payment of benefits. All benefits shall be paid from the
4 fund through employment offices, or such other agencies as may be desig-
5 nated in accordance with such regulations as may be prescribed hereunder.

6 (b) Weekly benefits for unemployment.

7 [(1) With respect to an individual's benefit year commencing prior to
8 January 1, 1953, such individual, if eligible and unemployed (as defined in
9 subsection (m) of section 43:21-19 of this Title) in any week, shall be paid
10 with respect to such week (except as to final payment) an amount equal to
11 his weekly benefit rate less any remuneration in excess of \$3.00 paid or pay-
12 able to him for such week; provided, that such amount shall be computed to
13 the next highest multiple of \$1.00, if not already a multiple thereof.

14 (2)] With respect to an individual's benefit year commencing on or after
15 January 1, 1953, such individual, if eligible and unemployed (as defined in
16 subsection (m) of section 43:21-19 of this Title), shall be paid an amount

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted
and is intended to be omitted in the law.

17 (except as to final payment) equal to his weekly benefit rate with respect to
 18 any week in which he has earned no remuneration or remuneration equal to
 19 less than $\frac{1}{2}$ said rate, or shall be paid an amount equal to $\frac{1}{2}$ his weekly
 20 benefit rate with respect to any week in which he has earned remuneration
 21 equal to or more than $\frac{1}{2}$ said rate but less than said rate.

22 (c) Weekly benefit rate.

23 [(1) With respect to an individual to whom benefits shall be payable as
 24 provided in paragraph (1) of subsection (b) of this section, the weekly bene-
 25 fit rate shall be $\frac{1}{22}$ of his total wages in that calendar quarter in which
 26 said total wages were highest during his base year; provided, that such rate
 27 shall be computed to the next highest multiple of \$1.00 if not already a mul-
 28 tiple thereof, and shall not be more than \$30.00 nor less than \$10.00.

29 (2)] With respect to an individual to whom benefits shall be payable as
 30 provided in [paragraph (2) of subsection (b) of] this section, his weekly
 31 benefit rate under each benefit determination shall be $\frac{2}{3}$ of his average
 32 weekly wage; provided, that such rate shall be computed to the next highest
 33 multiple of \$1.00 if not already a multiple thereof, and shall not be more than
 34 [\$30.00] ~~\$35.00~~ nor less than \$10.00.

35 (d) Maximum total benefits.

36 [(1) With respect to an individual to whom weekly benefits for unem-
 37 ployment shall be payable as provided in paragraph (1) of subsection (b)
 38 of this section, the maximum total amount of benefits payable to any
 39 eligible individual under either of subsections (c) and (f) of section 43:21-4
 40 of this Title during any benefit year shall be either $\frac{1}{3}$ of his total wages
 41 during his base year, computed to the next highest multiple of \$1.00, if not
 42 already a multiple thereof, or 26 times his weekly benefit rate, whichever
 43 is the lesser; in no event, however, are such total benefits under either of
 44 said subsections (c) and (f) to be less than 10 times his weekly benefit rate.
 45 In the event that an individual qualified for benefits under both of said sub-
 46 sections during any benefit year, the maximum total amount of benefits pay-

able under said subsections combined to such individual during the benefit year shall be $1\frac{1}{2}$ times the maximum amount of benefits payable under 1 of said subsections.

(2) With respect to an individual to whom benefits shall be payable as provided in [paragraph (2) of subsection (b) of] this section:

(A) Such individual shall be entitled to receive, under each successive benefit determination relating to each of his base year employers, a total amount of benefits equal to $\frac{3}{4}$ of his base weeks from the employer in question multiplied by his weekly benefit rate; but the amount of benefits thus resulting under any determination made with respect to an employer shall be adjusted to the next higher multiple of $\frac{1}{2}$ of said weekly benefit rate, if not already a multiple thereof.

(B) No such individual shall be entitled to receive benefits under this Title for more than 26 weeks in any benefit year under either of subsections (c) and (f) of section 43:21-4 of this Title. In the event that any individual qualifies for benefits under both of said subsections during any benefit year, the maximum total amount of benefits payable under said subsections combined to such individual during the benefit year shall be $1\frac{1}{2}$ times the maximum amount of benefits payable under 1 of said subsections. For the purposes of this paragraph, any week for which an individual receives a half-payment as provided in paragraph (2) of subsection (b) of this section shall be counted as $\frac{1}{2}$ of a week.

(C) If the full weekly benefit rate cannot be paid to an individual who is otherwise entitled thereto because the amount of unused benefits remaining under the applicable benefit determination is only $\frac{1}{2}$ of said rate, he shall be paid that amount; but if such individual is entitled to additional benefits under a successive determination, he shall also be paid for the week in question an amount equal to $\frac{1}{2}$ of his weekly benefit rate under said successive determination.

2. This act shall take effect July 1, 1955.

ASSEMBLY COMMITTEE AMENDMENT TO

ASSEMBLY, No. 264

STATE OF NEW JERSEY

ADOPTED MAY 9, 1955

Amend page 3, section 2, line 1, omit "July", insert "October".

ASSEMBLY, No. 264

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STATE OF NEW JERSEY

ADOPTED JUNE 9, 1955

Amend page 1, title, amend to read as follows:

“AN ACT concerning unemployment compensation, and amending sections 43:21-3, 43:21-6 and 43:21-19 of the Revised Statutes.”

Amend page 1, section 1, line 3, after “shall be”, insert “promptly”.

Amend page 1, section 1, lines 4 and 5, after “through”, insert “local”, and after “offices”, delete “, or such other agencies as may be designated”.

Amend page 2, section 1, lines 29 through 34, delete entire lines and substitute the following:

“(1) With respect to an individual whose average weekly wage (as defined in subsection (u) of section 43:21-19 of this Title) does not exceed \$45.00, his weekly benefit rate under each benefit determination shall be $\frac{2}{3}$ of his average weekly wage; provided, that such rate shall be computed to the next highest multiple of \$1.00 if not already a multiple thereof, and shall not be more than \$30.00 nor less than \$10.00.

(2) With respect to an individual whose average weekly wage (as defined in subsection (u) of section 43:21-19 of this Title) exceeds \$45.00, his weekly benefit rate under each benefit determination shall be \$30.00 plus $\frac{1}{5}$ of the amount by which his average weekly wage exceeds \$45.00; provided, that such rate shall be computed to the next highest multiple of \$1.00 if not already a multiple thereof, and shall not be more than \$35.00.”.

Amend page 3, section 1, line 52, delete “(A)”, substitute “(1)”.

Amend page 3, section 1, line 59, delete “(B)”, substitute “(2)”.

Amend page 3, section 1, lines 67 and 68, after “in”, delete “paragraph (2) of”.

Amend page 3, section 1, line 70, delete "(C)", substitute "(3)".

Amend page 3, section 2, line 1, delete entire line and substitute the following:

2. Section 43:21-6 of the Revised Statutes is amended to read as follows:

43:21-6. (a) Filing. Claims for benefits shall be made in accordance with such regulations as the Director of the Division of Employment Security of the Department of Labor and Industry of the State of New Jersey may approve. Each employer shall post and maintain on his premises printed notices of his subject status, of such design, in such numbers, and at such places as the director of the division may determine to be necessary to give notice thereof to persons in the employer's service. Each employer shall give to each individual at the time he becomes unemployed a printed copy of benefit instructions. Both the aforesaid notices and instructions shall be supplied by the division to employers without cost to them.

(b) (1) Procedure for making determinations with respect to benefit years commencing prior to January 1, 1953. (A) Initial determinations. The director of the division shall designate a representative or representatives to promptly examine the claims and to determine which claims do and which claims do not meet the requirements of section 4 (e); and as to those claims meeting the requirements of section 4 (e) to further determine the weekly benefit rates and the maximum total benefits payable. Each claimant shall promptly be notified of the determination of his claim.

(B) Weekly determinations. The director of the division shall assign a representative or representatives to each local claims office for the purpose of making weekly determinations (except those under subsections 4 (f) and 5 (d) in the course of the benefit year, in accordance with the initial determination of a valid claim. Whenever a determination of eligibility shall be made with respect to the first week of the benefit year for which benefits are claimed, the claimant, the last employing unit and all employers in the base year shall be promptly notified of such determination. Whenever a determination of ineligibility or disqualification shall be made with respect to any week of the benefit year, the claimant shall be promptly notified of such determination.

(C) Any claimant or any interested entity or person may file an appeal from any determination under paragraphs (1) and (2) of this subsection within 5 calendar days after the delivery of notification, or within 7 calendar days after the mailing of notification, of such determination. Unless such an appeal is filed such determination shall be final and benefits shall be paid or denied in accordance therewith. If an appeal is duly filed, benefits with respect to the period covered by the appeal shall be payable only after a determination of entitlement by the appellate tribunal; benefits payable for periods pending an appeal and not in dispute shall be paid as such benefits accrue; provided, that insofar as any such appeal is or may be an appeal from a determination to the effect that the claimant is disqualified under the provisions of section 43:21-5 of the Revised Statutes or any amendments thereof or supplements thereto, benefits pending determination of the appeal shall be withheld only for the period of disqualification as provided for in said section, and notwithstanding such appeal the benefits otherwise provided by this act shall be paid for the period subsequent to such period of disqualification; and provided, also, that if there are 2 determinations of entitlement, benefits for the period covered by such determination shall be paid regardless of any appeal which may thereafter be taken, but no employer's account shall be charged with benefits so paid if the decision is finally reversed.

(2) Procedure for making initial determinations with respect to benefit years commencing on or after January 1, 1953.

A representative or representatives designated by the director of the division and hereinafter referred to as a "deputy" shall promptly examine the claim, and shall notify the most recent employing unit and, successively as necessary, each employer in inverse chronological order during the base year. Such notification shall require said employing unit and employer to furnish such information to the deputy as may be necessary to determine the claimant's eligibility and his benefit rights with respect to the employer in question, and such notification shall also provide the most recent chargeable employer in the base year with the name and address of the most recent employing unit of the claimant.

In his discretion, the director may appoint special deputies to make initial or subsequent determinations under subsections 4 (f) and 5 (d) of this chapter.

If any employer or employing unit fails to respond to the request for information within 7 days after the mailing of such request, the deputy shall rely entirely on information from other sources, including an affidavit to the best of the knowledge and belief of the claimant with respect to his wages and time worked. Except in the event of fraud, if it is determined that any information in such affidavit is erroneous, no penalty shall be imposed on the claimant.

The deputy shall promptly make an initial determination based upon the available information. The initial determination shall show the weekly benefit amount payable, the maximum duration of benefits with respect to the employer to whom the determination relates, and also shall show whether the claimant is ineligible or disqualified for benefits under the initial determination. The claimant and the employer whose account may be charged for benefits payable pursuant to said determination shall be promptly notified thereof.

Whenever an initial determination is based upon information other than that supplied by an employer because such employer failed to respond to the deputy's request for information, such initial determination and any subsequent determination thereunder shall be incontestable by the noncomplying employer, as to any charges to his employer's account because of benefits paid prior to the close of the calendar week following the receipt of his reply. Such initial determination shall be altered if necessary upon receipt of information from the employer, and any benefits paid or payable with respect to weeks occurring subsequent to the close of the calendar week following the receipt of the employer's reply shall be paid in accordance with such altered initial determination.

The deputy shall issue a separate initial benefit determination with respect to each of the claimant's base year employers, starting with the most recent employer and continuing as necessary in the inverse chronological order of the claimant's last date of employment with each such employer. If an appeal is taken from an initial determination as hereinafter provided by any employer

other than the first chargeable base-year employer, then such appeal shall be limited in scope to include only 1 or more of the following matters:

(A) the correctness of the benefit payments authorized to be made under the determination;

(B) fraud in connection with the claim pursuant to which the initial determination is issued; or

(C) the refusal of suitable work offered by the chargeable employer filing the appeal.

The amount of benefits payable under an initial determination may be reduced or canceled if necessary to avoid payment of benefits for a number of weeks in excess of the maximum specified in subsection (d) of section 43:21-3 of this Title.

Unless the claimant or any interested party within 7 calendar days after delivery of notification of an initial determination or within 10 calendar days after such notification was mailed to his or their last-known address and addresses, files an appeal from such decision, such decision shall be final and benefits shall be paid or denied in accordance therewith, except for such determinations as may be altered in benefit amounts or duration as provided in this paragraph. If an appeal is duly filed, benefits with respect to the period covered by the appeal shall be payable only after a determination of entitlement by the appellate tribunal; benefits payable for periods pending an appeal and not in dispute shall be paid as such benefits accrue; provided, that insofar as any such appeal is or may be an appeal from a determination to the effect that the claimant is disqualified under the provisions of section 43:21-5 of the Revised Statutes or any amendments thereof or supplements thereto, benefits pending determination of the appeal shall be withheld only for the period of disqualification as provided for in said section, and notwithstanding such appeal the benefits otherwise provided by this act shall be paid for the period subsequent to such period of disqualification; and provided, also, that if there are 2 determinations of entitlement, benefits for the period covered by such determinations shall be paid regardless of any appeal

which may thereafter be taken, but no employer's account shall be charged with benefits so paid if the decision is finally reversed.

(3) Procedure for making initial determinations in certain cases of concurrent employment, with respect to benefit years commencing on or after January 1, 1953.

Notwithstanding any other provisions of this Title, if an individual shows to the satisfaction of the deputy that there were at least 13 weeks in his base period in each of which he earned wages from 2 or more employers totaling \$15.00 or more but in each of which there was no single employer from whom he earned as much as \$15.00, then such individual's claim shall be determined in accordance with the special provisions of this paragraph. In such case, the deputy shall determine the individual's eligibility for benefits, his average weekly wage, weekly benefit rate and maximum total benefits as if all his base year employers were a single employer. Such determination shall apportion the liability for benefit charges thereunder to the individual's several base year employers so that each employer's maximum liability for charges thereunder bears approximately the same relation to the maximum total benefits allowed as the wages earned by the individual from each employer during the base year bears to his total wages earned from all employers during the base year. Such initial determination shall also specify the individual's last date of employment within the base year with respect to each base year employer, and such employers shall be charged for benefits paid under said initial determination in the inverse chronological order of such last dates of employment.

(4) Procedure for making subsequent determinations with respect to benefit years commencing on or after January 1, 1953. The deputy shall make determinations with respect to claims for benefits thereafter in the course of the benefit year in accordance with any initial determination allowing benefits, and under which benefits have not been exhausted, and each notification of a benefit payment shall be a notification of an affirmative subsequent determination. The allowance of benefits by the deputy on any such determination, or the denial of benefits by the deputy on any such determination, shall be ap-

pealable in the same manner and under the same limitations as is provided in the case of initial determinations.

(c) Appeals. Unless such appeal is withdrawn, an appeal tribunal, after affording the parties reasonable opportunity for fair hearing, shall affirm or modify the findings of fact and the determination. The parties shall be duly notified of such tribunal's decision, together with its reasons therefor, which shall be deemed to be the final decision of the board of review, unless within 10 days after the date of notification or mailing of such decision, further appeal is initiated pursuant to subsection (e) of this section.

(d) Appeal tribunals. To hear and decide disputed benefit claims, including appeals from determinations with respect to demands for refunds of benefits under section 43:21-16 (d) of this chapter (R. S. 43:21-1 et seq.), the director with the approval of the Commissioner of Labor and Industry shall establish 1 or more impartial appeal tribunals consisting in each case of either a salaried examiner or a body, consisting of 3 members, 1 of whom shall be a salaried examiner, who shall serve as chairman, 1 of whom shall be a representative of employers and the other of whom shall be a representative of employees; each of the latter 2 members shall serve at the pleasure of the commissioner and be paid a fee of not more than \$20.00 per day of active service on such tribunal plus necessary expenses. No person shall participate on behalf of the division in any case in which he is an interested party. The director may designate alternates to serve in the absence or disqualification of any member of an appeal tribunal. The chairman shall act alone in the absence or disqualification of any other member and his alternates. In no case shall the hearings proceed unless the chairman of the appeal tribunal is present.

(e) Board of review. The board of review may on its own motion affirm, modify, or set aside any decision of an appeal tribunal on the basis of the evidence previously submitted in such case, or direct the taking of additional evidence, or may permit any of the parties to such decision to initiate further appeals before it. The board of review shall permit such further appeal by any of the parties interested in a decision of an appeal tribunal which is not

unanimous and from any determination which has been overruled or modified by any appeal tribunal. The board of review may remove to itself or transfer to another appeal tribunal the proceedings on any claim pending before an appeal tribunal. Any proceeding so removed to the board of review shall be heard by a quorum thereof in accordance with the requirements of subsection (c) of this section. The board of review shall promptly notify the interested parties of its findings and decision.

(f) Procedure. The manner in which disputed benefit claims, and appeals from determinations with respect to (1) claims for benefits and (2) demands for refunds of benefits under section 43:21-16 (d) of this chapter (R. S. 43:21-1 et seq.) shall be presented, the reports thereon required from the claimant and from employers, and the conduct of hearings and appeals shall be in accordance with rules prescribed by the board of review for determining the rights of the parties, whether or not such rules conform to common law or statutory rules of evidence and other technical rules of procedure. A full and complete record shall be kept of all proceedings in connection with a disputed claim. All testimony at any hearing upon a disputed claim shall be recorded, but need not be transcribed unless the disputed claim is further appealed.

(g) Witness fees. Witnesses subpoenaed pursuant to this section shall be allowed fees at a rate fixed by the director. Such fees and all expenses of proceedings involving disputed claims shall be deemed a part of the expense of administering this chapter (R. S. 43:21-1 et seq.).

(h) Court review. Any decision of the board of review shall become final as to any party upon the mailing of a copy thereof to such party or to his attorney, or upon the mailing of a copy thereof to such party at his last-known address. The Division of Employment Security and any party to a proceeding before the board of review may secure judicial review of the final decision of the board of review. Any party not joining in the appeal shall be made a defendant; the board of review shall be deemed to be a party to any judicial action involving the review of, or appeal from, any of its decisions, and may be represented in any such judicial action by any qualified attorney who

may be a regular salaried employee of the board of review or has been designated by it for that purpose, or, at the board of review's request, by the Attorney-General.

(i) Failure to give notice. The failure of any public officer or employee at any time heretofore or hereafter to give notice of determination or decision required in subsections (b), (c) and (e) of this section, as originally passed or amended, shall not relieve any employer's account of any charge by reason of any benefits paid unless and until that employer can show to the satisfaction of the director of the division that the said benefits, in whole or in part, would not have been charged or chargeable to his account had such notice been given. Any determination hereunder by the director shall be subject to court review.

3. Section 43:21-19 of the Revised Statutes is amended to read as follows:

43:21-19. As used in this chapter, unless the context clearly requires otherwise:

(a) (1) "Annual payroll" means the total amount of wages paid during a calendar year (regardless of when earned) by an employer for employment.

(2) "Average annual payroll" means the average of the annual payrolls of any employer for the last 3 or 5 preceding calendar years, whichever average is higher, except that any year or years throughout which an employer has had no "annual payroll" because of military service shall be deleted from the reckoning; the "average annual payroll" in such case is to be determined on the basis of the prior 3 or 5 calendar years in each of which the employer had an "annual payroll" in the operation of his business, if the employer resumes his business within 12 months after separation, discharge or release from such service, under conditions other than dishonorable, and makes application to have his "average annual payroll" determined on the basis of such deletion within 12 months after he resumes his business; provided, however, that "average annual payroll" solely for the purposes of paragraph (3) of subsection (e) of section 43:21-7 of this Title means the average of the annual payrolls of any employer, on which he paid contributions to the State disability benefits fund, for the last 3 or 5 preceding calendar years, whichever average is higher; pro-

vided further, that only those wages be included on which employer contributions have been paid on or before January 31 immediately preceding the beginning of the 12-months' period for which the employer's contribution rate is computed.

(b) "Benefits" means the money payments payable to an individual, as provided in this chapter, with respect to his unemployment.

(c) (1) The term "base year" with respect to benefit years commencing prior to January 1, 1953, means the first 4 of the last 5 completed calendar quarters immediately preceding the first day of an individual's benefit year; provided, that no calendar quarter shall comprise a part of more than 1 base year.

(2) "Base year" with respect to benefit years commencing on or after January 1, 1953, shall mean the 52 calendar weeks ending with the second week immediately preceding an individual's benefit year.

(d) "Benefit year" with respect to any individual means the 364 consecutive calendar days beginning with the day on, or as of, which he first files a valid claim for benefits, and thereafter beginning with the day on, or as of, which the individual next files a valid claim for benefits after the termination of his last preceding benefit year. Any claim for benefits made in accordance with subsection (a) of section 43:21-6 of this Title shall be deemed to be a "valid claim" for the purpose of this subsection if (1) no remuneration was paid or is payable for the day on which, or as of which he files a claim for benefits, and no work is available to him with his current employing unit on such day, or, he is unemployed for the week in which, or as of which, he files a claim for benefits; and (2) he has fulfilled the conditions imposed by subsection (e) of section 43:21-4 of this Title.

(e) "Division" means the Division of Employment Security of the Department of Labor and Industry established by chapter 446, P. L. 1948, and any transaction or exercise of authority by the director of the division thereunder, or under this chapter (R. S. 43:21-1 et seq.), shall be deemed to be performed by the division.

(f) "Contributions" means the money payments to the State unemployment compensation fund required by this chapter.

(g) "Employing unit" means any individual or type of organization, including any partnership, association, trust, estate, joint-stock company, insurance company or corporation, whether domestic or foreign, or the receiver, trustee in bankruptcy, trustee or successor thereof, or the legal representative of a deceased person, which has or subsequent to January 1, 1936, had in its employ 1 or more individuals performing services for it within this State. All individuals performing services within this State for any employing unit which maintains 2 or more separate establishments within this State shall be deemed to be employed by a single employing unit for all the purposes of this chapter. Whenever any employing unit contracts with or has under it any contractor or subcontractor for any employment which is part of its usual trade, occupation, profession, or business, unless the employing unit as well as each such contractor or subcontractor is an employer by reason of subsection (c) of section 43:21-8 of this Title or subsection (h) of this section, the employing unit shall for all the purposes of this chapter be deemed to employ each individual in the employ of each such contractor or subcontractor for each day during which such individual is engaged in performing such employment; except that each such contractor or subcontractor who is an employer by reason of subsection (c) of section 43:21-8 of this Title or subsection (h) of this section, shall alone be liable for the contributions measured by wages payable to individuals in his employ, and except that any employing unit who shall become liable for and pay contributions with respect to individuals in the employ of any such contractor or subcontractor who is not an employer by reason of subsection (c) of section 43:21-8 of this Title or subsection (h) of this section, may recover the same from such contractor or subcontractor. Each individual employed to perform or to assist in performing the work of any agent or employee of an employing unit shall be deemed to be employed by such employing unit for all the purposes of this chapter, whether such individual was hired

or paid directly by such employing unit or by such agent or employee; provided, the employing unit had actual or constructive knowledge of the work.

(h) "Employer" means:

(1) Any employing unit which for some portion of a day, but not necessarily simultaneously, in each of 20 different weeks, whether or not such weeks are or were consecutive, within either the current or the preceding calendar year, has or had in employment 4 or more individuals (irrespective of whether the same individuals are or were employed in each such day);

(2) Any employing unit which acquired the organization, trade or business, or substantially all the assets thereof, of another which at the time of such acquisition was an employer subject to this chapter;

(3) Any employing unit which acquired the organization, trade or business, or substantially all the assets thereof, of another employing unit and which, if treated as a single unit with such other employing unit, would be an employer under paragraph (1) of this subsection;

(4) Any employing unit which together with 1 or more other employing units, is owned or controlled (by legally enforceable means or otherwise), directly or indirectly by the same interests, or which owns or controls 1 or more other employing units (by legally enforceable means or otherwise), and which, if treated as a single unit with such other employing unit or interest, would be an employer under paragraph (1) of this subsection;

(5) Any employing unit which, having become an employer under paragraphs (1), (2), (3) or (4), has not, under section 43:21-8 of this Title, ceased to be an employer subject to this chapter; or

(6) For the effective period of its election pursuant to subsection (c) of section 43:21-8 of this Title any other employing unit which has elected to become fully subject to this chapter.

(i) (1) "Employment" means service, including service in interstate commerce performed for remuneration or under any contract of hire, written or oral, express or implied.

(2) The term “employment” shall include an individual’s entire service performed within or both within and without this State if:

(A) The service is localized in this State; or

(B) The service is not localized in any State but some of the service is performed in this State, and (i) the base of operations, or, if there is no base of operations, then the place from which such service is directed or controlled, is in this State; or (ii) the base of operations or place from which such service is directed or controlled is not in any State in which some part of the service is performed, but the individual’s residence is in this State.

(3) Services performed within this State but not covered under paragraph (2) of this subsection shall be deemed to be employment subject to this chapter if contributions are not required and paid with respect to such services under an unemployment compensation law of any other State or of the Federal Government.

(4) Services not covered under paragraph (2) of this subsection, and performed entirely without this State, with respect to no part of which contributions are required and paid under an unemployment compensation law of any other State or of the Federal Government, shall be deemed to be employment subject to this chapter if the individual performing such services is a resident of this State and the division approves the election of the employing unit for whom such services are performed that the entire service of such individual shall be deemed to be employment subject to this chapter; provided, written objections on the part of a substantial proportion of such individuals affected are not presented to the division within 10 days following the filing of such election.

(5) Service shall be deemed to be localized within a State if

(A) the service is performed entirely within such State; or

(B) the service is performed both within and without such State, but the service performed without such State is incidental to the individual’s

service within the State, for example, is temporary or transitory in nature or consists of isolated transactions.

(6) Services performed by an individual for remuneration shall be deemed to be employment subject to this chapter unless and until it is shown to the satisfaction of the division that

(A) such individual has been and will continue to be free from control or direction over the performance of such service both under his contract of service and in fact; and

(B) such service is either outside the usual course of the business for which such service is performed, or that such service is performed outside of all the places of business of the enterprise for which such service is performed; and

(C) such individual is customarily engaged in an independently established trade, occupation, profession or business.

(7) The term "employment" shall not include:

(A) Agricultural labor;

(B) Domestic service in a private home;

(C) Service performed by an individual in the employ of his son, daughter or spouse, and service performed by a child under the age of 21 in the employ of his father or mother;

(D) Service performed in the employ of this State or of any political subdivision thereof or of any instrumentality of this State or its political subdivisions;

(E) Service performed in the employ of any other State or its political subdivisions, or of the United States Government, or of an instrumentality of any other State or States or their political subdivisions or of the United States;

(F) Services performed in the employ of a corporation, community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, literary, hospital, benevolent, philanthropic, or educational purposes, or for the prevention of cruelty to children or animals, no

part of the net earnings of which inures to the benefit of any private shareholder or individual;

(G) Services performed in the employ of fraternal beneficiary societies, orders, or associations operating under the lodge system or for the exclusive benefit of the members of a fraternity itself operating under the lodge system and providing for the payment of life, sick, accident or other benefits to the members of such society, order, or association, or their dependents;

(H) Services performed as an officer or other employee of any building and loan association of this State, except where such services constitute the principal employment of the individual; services performed as an officer or other employee of any building and loan association where such association is a member of the Federal Home Loan Bank System; services performed as an officer or other employee of any bank which is a member of the Federal Reserve System;

(I) Service performed after June 30, 1939, with respect to which unemployment compensation is payable under the Railroad Unemployment Insurance Act (52 Stat. 1094).

(J) Service performed by agents of insurance companies, exclusive of industrial insurance agents, or by agents of investment companies, who are compensated wholly on a commission basis.

(K) Services performed by real estate salesmen or brokers who are compensated wholly on a commission basis.

(L) Services performed in the employ of any veterans' organization chartered by Act of Congress or of any auxiliary thereof, no part of the net earnings of which organization, or auxiliary thereof, inures to the benefit of any private shareholder or individual.

(M) Service heretofore or hereafter performed for or in behalf of the owner or operator of any theater, ballroom, amusement hall or other place of entertainment, not in excess of 10 weeks in any calendar year for the same owner or operator, by any leader or musician of a band or orchestra,

commonly called a "name band," entertainer, vaudeville artist, actor, actress, singer or other entertainer.

(N) Services performed by an individual for a labor union organization, known and recognized as a union local, as a member of a committee or committees reimbursed by the union local for time lost from regular employment, or as a part-time officer of a union local and the remuneration for such services is less than \$250.00 in a calendar year.

(j) "Employment office" means a free public employment office, or branch thereof operated by this State or maintained as a part of a State-controlled system of public employment offices.

(k) "Fund" means the unemployment compensation fund established by this chapter, to which all contributions required and from which all benefits provided under this chapter shall be paid.

(l) "State" includes, in addition to the States of the United States of America, Alaska, Hawaii, and the District of Columbia.

(m) Unemployment.

(1) An individual shall be deemed "unemployed" for any week during which he is not engaged in full-time work and with respect to which his remuneration is less than his weekly benefit rate.

(2) The term "remuneration," with respect to benefit years commencing prior to January 1, 1953, and as used in this subsection, shall include only that part of the same which exceeds \$3.00 for any 1 week.

(3) An individual's week of unemployment shall be deemed to commence only after his registration at an employment office, except as the division may by regulation otherwise prescribe.

(n) "Unemployment compensation administration fund" means the unemployment compensation administration fund established by this chapter from which administrative expenses under this chapter shall be paid.

(o) "Wages" means remuneration payable by employers for employment prior to January 1, 1947, and paid prior to such date; and means remuneration paid subsequent to December 31, 1946, by employers for employment; pro-

vided, however, that for eligibility and benefit purposes wages earned but not paid when the amount thereof has been calculated and is due as determined by the established and customary practices of the employer shall be construed as having been paid when earned.

(p) "Remuneration" means all compensation for personal services, including commissions and bonuses and the cash value of all compensation in any medium other than cash.

(q) "Week" means such period or periods of 7 consecutive days ending at midnight, as the division may by regulation prescribe.

(r) "Calendar quarter" means the period of 3 consecutive calendar months ending on March 31, June 30, September 30, or December 31.

(s) "Investment company" means any company as defined in paragraph 1-a of chapter 322 of the laws of 1938, entitled "An act concerning investment companies, and supplementing Title 17 of the Revised Statutes by adding thereto a new chapter entitled 'investment companies.' "

(t) "Base week" means any calendar week of an individual's base year during which he earned in employment from an employer remuneration equal to not less than \$15.00; provided, if in any calendar week, an individual is in employment with more than 1 employer, he may in such calendar week establish a base week with respect to each such employer from whom the individual earns remuneration equal to not less than \$15.00 during such week.

(u) "Average weekly wage" means the amount derived by dividing an individual's total wages received during his base year base weeks from that most recent base year employer with whom he had established at least 17 base weeks, by the number of base weeks in which such wages were earned. In the event that such claimant had no employer in his base year with whom he had established at least 17 base weeks, then such individual's average weekly wage shall be computed as if all of his base week wages were received from 1 employer and as if all his base weeks of employment had been performed in the employ of 1 employer.

If on application of a claimant it is determined that he has been employed during at least the 4 weeks immediately preceding his separation from employment by an employer on a substantially reduced schedule of weekly hours due to lack of work, all weeks of substantially reduced schedule within the base period and his wages therefor shall be disregarded in computing his average weekly wage.

(v) "Initial determination" means, subject to the provisions of R. S. 43:21-6 (b) and (3), a determination of benefit rights as measured by an eligible individual's base year employment with a single employer covering all periods of employment with that employer during the base year. Subject to the provisions of R. S. 43:21-3 (d) (3) an individual has been in employment in his base year with more than 1 employer, no benefits shall be paid to that individual under any successive initial determination until his benefit rights have been exhausted under the next preceding initial determination.

(w) "Last date of employment" means the last calendar day in the base year of an individual on which he performed services in employment for a given employer.

(x) "Most recent base year employer" means that employer with whom the individual most recently, in point of time, performed services in employment in the base year.

4. This act shall take effect October 1, 1955, and shall apply only with respect to benefit years beginning on and after October 1, 1955."

SENATE AMENDMENT TO
ASSEMBLY, No. 264

STATE OF NEW JERSEY

ADOPTED JUNE 9, 1955

Amend page 2, section 1, lines 29-34, in line 14 of the insertion of the former amendment change " $\frac{1}{5}$ " to " $\frac{2}{5}$ ".

[SECOND OFFICIAL COPY REPRINT]

ASSEMBLY, No. 264

STATE OF NEW JERSEY

INTRODUCED MARCH 7, 1955

By Messrs. MOSCH and MINTZ

Referred to Committee on Labor and Industrial Relations

[AN ACT concerning unemployment compensation, and amending section 43:21-3 of the Revised Statutes.] *An act concerning unemployment compensation, and amending sections 43:21-3, 43:21-6 and 43:21-19 of the Revised Statutes.*

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

1 1. Section 43:21-3 of the Revised Statutes is amended to read as
2 follows:

3 43:21-3. (a) Payment of benefits. All benefits shall be *promptly* paid
4 from the fund through *local* employment offices[, or such other agencies as
5 may be designated] in accordance with such regulations as may be pre-
5A scribed hereunder.

6 (b) Weekly benefits for unemployment.

7 [(1) With respect to an individual's benefit year commencing prior to
8 January 1, 1953, such individual, if eligible and unemployed (as defined in
9 subsection (m) of section 43:21-19 of this Title) in any week, shall be paid
10 with respect to such week (except as to final payment) an amount equal to
11 his weekly benefit rate less any remuneration in excess of \$3.00 paid or pay-
12 able to him for such week; provided, that such amount shall be computed to
13 the next highest multiple of \$1.00, if not already a multiple thereof.

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

14 (2) With respect to an individual's benefit year commencing on or after
 15 January 1, 1953, such individual, if eligible and unemployed (as defined in
 16 subsection (m) of section 43:21-19 of this Title), shall be paid an amount
 17 (except as to final payment) equal to his weekly benefit rate with respect to
 18 any week in which he has earned no remuneration or remuneration equal to
 19 less than $\frac{1}{2}$ said rate, or shall be paid an amount equal to $\frac{1}{2}$ his weekly
 20 benefit rate with respect to any week in which he has earned remuneration
 21 equal to or more than $\frac{1}{2}$ said rate but less than said rate.

22 (c) Weekly benefit rate.

23 [(1) With respect to an individual to whom benefits shall be payable as
 24 provided in paragraph (1) of subsection (b) of this section, the weekly bene-
 25 fit rate shall be $\frac{1}{22}$ of his total wages in that calendar quarter in which
 26 said total wages were highest during his base year; provided, that such rate
 27 shall be computed to the next highest multiple of \$1.00 if not already a mul-
 28 tiple thereof, and shall not be more than \$30.00 nor less than \$10.00.

29 [(2) With respect to an individual to whom benefits shall be payable as
 30 provided in [paragraph (2) of subsection (b) of] this section, his weekly
 31 benefit rate under each benefit determination shall be $\frac{2}{3}$ of his average
 32 weekly wage; provided, that such rate shall be computed to the next highest
 33 multiple of \$1.00 if not already a multiple thereof, and shall not be more than
 34 ~~[\$30.00]~~ \$35.00 nor less than \$10.00.]

34A (1) *With respect to an individual whose average weekly wage (as de-*
 34B *finied in subsection (u) of section 43:21-19 of this Title) does not exceed*
 34C *\$45.00, his weekly benefit rate under each benefit determination shall be*
 34D *$\frac{2}{3}$ of his average weekly wage; provided, that such rate shall be computed*
 34E *to the next highest multiple of \$1.00 if not already a multiple thereof, and*
 34F *shall not be more than \$30.00 nor less than \$10.00.*

34G (2) *With respect to an individual whose average weekly wage (as de-*
 34H *finied in subsection (u) of section 43:21-19 of this Title) exceeds \$45.00, his*
 34I *weekly benefit rate under each benefit determination shall be \$30.00 plus*
 34J *[1/5] $\frac{2}{5}$ of the amount by which his average weekly wage exceeds \$45.00;*

34K *provided, that such rate shall be computed to the next highest multiple of*
 34L *\$1.00 if not already a multiple thereof, and shall not be more than \$35.00.*

35 (d) Maximum total benefits.

36 **[(1)** With respect to an individual to whom weekly benefits for unem-
 37 ployment shall be payable as provided in paragraph (1) of subsection (b)
 38 of this section, the maximum total amount of benefits payable to any
 39 eligible individual under either of subsections (c) and (f) of section 43:21-4
 40 of this Title during any benefit year shall be either $\frac{1}{3}$ of his total wages
 41 during his base year, computed to the next highest multiple of \$1.00, if not
 42 already a multiple thereof, or 26 times his weekly benefit rate, whichever
 43 is the lesser; in no event, however, are such total benefits under either of
 44 said subsections (c) and (f) to be less than 10 times his weekly benefit rate.
 45 In the event that an individual qualified for benefits under both of said sub-
 46 sections during any benefit year, the maximum total amount of benefits pay-
 47 able under said subsections combined to such individual during the benefit
 48 year shall be $1\frac{1}{2}$ times the maximum amount of benefits payable under 1
 49 of said subsections.

50 **(2)]** With respect to an individual to whom benefits shall be payable as
 51 provided in **[paragraph (2) of subsection (b) of]** this section:

52 **[(A)]** (1) Such individual shall be entitled to receive, under each suc-
 53 cessive benefit determination relating to each of his base year employers,
 54 a total amount of benefits equal to $\frac{3}{4}$ of his base weeks from the em-
 55 ployer in question multiplied by his weekly benefit rate; but the amount
 56 of benefits thus resulting under any determination made with respect
 57 to an employer shall be adjusted to the next higher multiple of $\frac{1}{2}$ of
 58 said weekly benefit rate, if not already a multiple thereof.

59 **[(B)]** (2) No such individual shall be entitled to receive benefits
 60 under this Title for more than 26 weeks in any benefit year under either
 61 of subsections (c) and (f) of section 43:21-4 of this Title. In the event
 62 that any individual qualifies for benefits under both of said subsections
 63 during any benefit year, the maximum total amount of benefits payable

64 under said subsections combined to such individual during the benefit
 65 year shall be $1\frac{1}{2}$ times the maximum amount of benefits payable under
 66 1 of said subsections. For the purposes of this paragraph, any week
 67 for which an individual receives a half-payment as provided in [para-
 68 graph (2) of] subsection (b) of this section shall be counted as $\frac{1}{2}$ of a
 69 week.

70 [(C)] (3) If the full weekly benefit rate cannot be paid to an indi-
 71 vidual who is otherwise entitled thereto because the amount of unused
 72 benefits remaining under the applicable benefit determination is only $\frac{1}{2}$ of
 73 said rate, he shall be paid that amount; but if such individual is entitled
 74 to additional benefits under a successive determination, he shall also be
 75 paid for the week in question an amount equal to $\frac{1}{2}$ of his weekly bene-
 76 fit rate under said successive determination.

1 [2. This act shall take effect [July] October 1, 1955.]

1 2. Section 43:21-6 of the Revised Statutes is amended to read as
 2 follows:

3 43:21-6. (a) *Filing. Claims for benefits shall be made in accordance*
 4 *with such regulations as the Director of the Division of Employment Secu-*
 5 *rity of the Department of Labor and Industry of the State of New Jersey*
 6 *may approve. Each employer shall post and maintain on his premises printed*
 7 *notices of his subject status, of such design, in such numbers, and at such*
 8 *places as the director of the division may determine to be necessary to give*
 9 *notice thereof to persons in the employer's service. Each employer shall give*
 10 *to each individual at the time he becomes unemployed a printed copy of*
 11 *benefit instructions. Both the aforesaid notices and instruction shall be sup-*
 12 *plied by the division to employers without cost to them.*

13 (b) (1) *Procedure for making determinations with respect to benefit*
 14 *years commencing prior to January 1, 1953. (A) Initial determinations.*
 15 *The director of the division shall designate a representative or representa-*
 16 *tives to promptly examine the claims and to determine which claims do and*
 17 *which claims do not meet the requirements of section 4 (e); and as to those*

18 claims meeting the requirements of section 4 (e) to further determine the
 19 weekly benefit rates and the maximum total benefits payable. Each claim-
 20 ant shall promptly be notified of the determination of his claim.

21 (B) Weekly determinations. The director of the division shall assign a
 22 representative or representatives to each local claims office for the purpose
 23 of making weekly determinations (except those under subsections 4 (f) and
 24 5 (d) in the course of the benefit year, in accordance with the initial deter-
 25 mination of a valid claim. Whenever a determination of eligibility shall be
 26 made with respect to the first week of the benefit year for which benefits are
 27 claimed, the claimant, the last employing unit and all employers in the base
 28 year shall be promptly notified of such determination. Whenever a deter-
 29 mination of ineligibility or disqualification shall be made with respect to any
 30 week of the benefit year, the claimant shall be promptly notified of such
 31 determination.

32 (C) Any claimant or any interested entity or person may file an appeal
 33 from any determination under paragraphs (1) and (2) of this subsection
 34 within 5 calendar days after the delivery of notification, or within 7 calen-
 35 dar days after the mailing of notification, of such determination. Unless
 36 such an appeal is filed such determination shall be final and benefits shall
 37 be paid or denied in accordance therewith. If an appeal is duly filed, benefits
 38 with respect to the period covered by the appeal shall be payable only after
 39 a determination of entitlement by the appellate tribunal; benefits payable for
 40 periods pending an appeal and not in dispute shall be paid as such benefits
 41 accrue; provided, that insofar as any such appeal is or may be an appeal
 42 from a determination to the effect that the claimant is disqualified under the
 43 provisions of section 43:21-5 of the Revised Statutes or any amendments
 44 thereof or supplements thereto, benefits pending determination of the ap-
 45 peal shall be withheld only for the period of disqualification as provided
 46 for in said section, and notwithstanding such appeal the benefits otherwise
 47 provided by this act shall be paid for the period subsequent to such period

48 of disqualification; and provided, also, that if there are 2 determinations of
49 entitlement, benefits for the period covered by such determination shall be
50 paid regardless of any appeal which may thereafter be taken, but no em-
51 ployer's account shall be charged with benefits so paid if the decision is
52 finally reversed.

53 (2) Procedure for making initial determinations with respect to benefit
54 years commencing on or after January 1, 1953.

55 A representative or representatives designated by the director of the
56 division and hereinafter referred to as a "deputy" shall promptly examine
57 the claim, and shall notify the most recent employing unit and, successively
58 as necessary, each employer in inverse chronological order during the base
59 year. Such notification shall require said employing unit and employer to
60 furnish such information to the deputy as may be necessary to determine
61 the claimant's eligibility and his benefit rights with respect to the employer
62 in question, and such notification shall also provide the most recent charge-
63 able employer in the base year with the name and address of the most recent
64 employing unit of the claimant.

65 In his discretion, the director may appoint special deputies to make ini-
66 tial or subsequent determinations under subsections 4 (f) and 5 (d) of this
67 chapter.

68 If any employer or employing unit fails to respond to the request for
69 information within 7 days after the mailing of such request, the deputy shall
70 rely entirely on information from other sources, including an affidavit to the
71 best of the knowledge and belief of the claimant with respect to his wages
72 and time worked. Except in the event of fraud, if it is determined that any
73 information in such affidavit is erroneous, no penalty shall be imposed on
74 the claimant.

75 The deputy shall promptly make an initial determination based upon the
76 available information. The initial determination shall show the weekly bene-
77 fit amount payable, the maximum duration of benefits with respect to the em-
78 ployer to whom the determination relates, and also shall show whether the

79 claimant is ineligible or disqualified for benefits under the initial determina-
 80 tion. The claimant and the employer whose account may be charged for
 81 benefits payable pursuant to said determination shall be promptly notified
 82 thereof.

83 Whenever an initial determination is based upon information other than
 84 that supplied by an employer because such employer failed to respond to
 85 the deputy's request for information, such initial determination and any
 86 subsequent determination thereunder shall be incontestable by the noncom-
 87 plying employer, as to any charges to his employer's account because of
 88 benefits paid prior to the close of the calendar week following the receipt of
 89 his reply. Such initial determination shall be altered if necessary upon re-
 90 ceipt of information from the employer, and any benefits paid or payable
 91 with respect to weeks occurring subsequent to the close of the calendar week
 92 following the receipt of the employer's reply shall be paid in accordance
 93 with such altered initial determination.

94 The deputy shall issue a separate initial benefit determination with re-
 95 spect to each of the claimant's base year employers, starting with the most
 96 recent employer and continuing as necessary in the inverse chronological
 97 order of the claimant's last date of employment with each such employer.
 98 If an appeal is taken from an initial determination as hereinafter provided
 99 by any employer other than the first chargeable base-year employer, then
 100 such appeal shall be limited in scope to include only 1 or more of the follow-
 101 ing matters:

102 (A) the correctness of the benefit payments authorized to be made
 103 under the determination;

104 (B) fraud in connection with the claim pursuant to which the initial
 105 determination is issued; or

106 (C) the refusal of suitable work offered by the chargeable em-
 107 ployer filing the appeal.

108 The amount of benefits payable under an initial determination may be
 109 reduced or canceled if necessary to avoid payment of benefits for a number

110 of weeks in excess of the maximum specified in subsection (d) of section
 111 43:21-3 of this Title.

112 Unless the claimant or any interested party within 7 calendar days after
 113 delivery of notification of an initial determination or within 10 calendar
 114 days after such notification was mailed to his or their last-known address
 115 and addresses, files an appeal from such decision, such decision shall be final
 116 and benefits shall be paid or denied in accordance therewith, except for such
 117 determinations as may be altered in benefit amounts or duration as pro-
 118 vided in this paragraph. If an appeal is duly filed, benefits with respect
 119 to the period covered by the appeal shall be payable only after a determina-
 120 tion of entitlement by the appellate tribunal; benefits payable for periods
 121 pending an appeal and not in dispute shall be paid as such benefits accrue;
 122 provided, that insofar as any such appeal is or may be an appeal from a de-
 123 termination to the effect that the claimant is disqualified under the provi-
 124 sions of section 43:21-5 of the Revised Statutes or any amendments thereof
 125 or supplements thereto, benefits pending determination of the appeal shall
 126 be withheld only for the period of disqualification as provided for in said
 127 section, and notwithstanding such appeal the benefits otherwise provided by
 128 this act shall be paid for the period subsequent to such period of disquali-
 129 fication; and provided, also, that if there are 2 determinations of entitlement,
 130 benefits for the period covered by such determinations shall be paid regard-
 131 less of any appeal which may thereafter be taken, but no employer's account
 132 shall be charged with benefits so paid if the decision is finally reversed.

133 (3) Procedure for making initial determinations in certain cases of con-
 134 current employment, with respect to benefit years commencing on or after
 135 January 1, 1953.

136 Notwithstanding any other provisions of this Title, if an individual
 137 shows to the satisfaction of the deputy that there were at least 13 weeks in
 138 his base period in each of which he earned wages from 2 or more employ-
 139 ers totaling \$15.00 or more but in each of which there was no single em-
 140 ployer from whom he earned as much as \$15.00, then such individual's claim

141 shall be determined in accordance with the special provisions of this para-
 142 graph. In such case, the deputy shall determine the individual's eligibility
 143 for benefits, his average weekly wage, weekly benefit rate and maximum
 144 total benefits as if all his base year employers were a single employer. Such
 145 determination shall apportion the liability for benefit charges thereunder to
 146 the individual's several base year employers so that each employer's maxi-
 147 mum liability for charges thereunder bears approximately the same relation
 148 to the maximum total benefits allowed as the wages earned by the individual
 149 from each employer during the base year bears to his total wages earned
 150 from all employers during the base year. Such initial determination shall
 151 also specify the individual's last date of employment within the base year
 152 with respect to each base year employer, and such employers shall be
 153 charged for benefits paid under said initial determination in the inverse
 154 chronological order of such last dates of employment.

155 (4) Procedure for making subsequent determinations with respect to
 156 benefit years commencing on or after January 1, 1953. The deputy shall
 157 make determinations with respect to claims for benefits thereafter in the
 158 course of the benefit year in accordance with any initial determination al-
 159 lowing benefits, and under which benefits have not been exhausted, and each
 160 notification of a benefit payment shall be a notification of an affirmative
 161 subsequent determination. The allowance of benefits by the deputy on any
 162 such determination, or the denial of benefits by the deputy on any such
 163 determination, shall be appealable in the same manner and under the same
 164 limitations as is provided in the case of initial determinations.

165 (c) Appeals. Unless such appeal is withdrawn, an appeal tribunal, after
 166 affording the parties reasonable opportunity for fair hearing, shall affirm or
 167 modify the findings of fact and the determination. The parties shall be duly
 168 notified of such tribunal's decision, together with its reasons therefor, which
 169 shall be deemed to be the final decision of the board of review, unless within
 170 10 days after the date of notification or mailing of such decision, fur-
 171-172 ther appeal is initiated pursuant to subsection (e) of this section.

173 (d) *Appeal tribunals.* To hear and decide disputed benefit claims, in-
174 cluding appeals from determinations with respect to demands for refunds of
175 benefits under section 43:21-16 (d) of this chapter (R. S. 43:21-1 et seq.),
176 the director with the approval of the Commissioner of Labor and Industry
177 shall establish 1 or more impartial appeal tribunals consisting in each case of
178 either a salaried examiner or a body, consisting of 3 members, 1 of whom
179 shall be a salaried examiner, who shall serve as chairman, 1 of whom shall
180 be a representative of employers and the other of whom shall be a repre-
181 sentative of employees; each of the latter 2 members shall serve at the
182 pleasure of the commissioner and be paid a fee of not more than \$20.00 per
183 day of active service on such tribunal plus necessary expenses. No person
184 shall participate on behalf of the division in any case in which he is an in-
185 terested party. The director may designate alternates to serve in the ab-
186 sence or disqualification of any member of an appeal tribunal. The chair-
187 man shall act alone in the absence or disqualification of any other member
188 and his alternates. In no case shall the hearings proceed unless the chair-
189 man of the appeal tribunal is present.

190 (e) *Board of review.* The board of review may on its own motion
191 affirm, modify, or set aside any decision of an appeal tribunal on the basis
192 of the evidence previously submitted in such case, or direct the taking of
193 additional evidence, or may permit any of the parties to such decision to
194 initiate further appeals before it. The board of review shall permit such
195 further appeal by any of the parties interested in a decision of an appeal
196 tribunal which is not unanimous and from any determination which has been
197 overruled or modified by any appeal tribunal. The board of review may re-
198 move to itself or transfer to another appeal tribunal the proceedings on any
199 claim pending before an appeal tribunal. Any proceeding so removed to
200 the board of review shall be heard by a quorum thereof in accordance with
201 the requirements of subsection (c) of this section. The board of review
202 shall promptly notify the interested parties of its findings and decision.

203 (f) *Procedure.* The manner in which disputed benefit claims, and ap-
 204 peals from determinations with respect to (1) claims for benefits and (2)
 205 demands for refunds of benefits under section 43:21-16 (d) of this chapter
 206 (R. S. 43:21-1 et seq.) shall be presented, the reports thereon required from
 207 the claimant and from employers, and the conduct of hearings and appeals
 208 shall be in accordance with rules prescribed by the board of review for de-
 209 termining the rights of the parties, whether or not such rules conform to
 210 common law or statutory rules of evidence and other technical rules of pro-
 211 cedure. A full and complete record shall be kept of all proceedings in con-
 212 nection with a disputed claim. All testimony at any hearing upon a disputed
 213 claim shall be recorded, but need not be transcribed unless the disputed
 214 claim is further appealed.

215 (g) *Witness fees.* Witnesses subpoenaed pursuant to this section shall
 216 be allowed fees at a rate fixed by the director. Such fees and all expenses
 217 of proceedings involving disputed claims shall be deemed a part of the ex-
 218 pense of administering this chapter (R. S. 43:21-1 et seq.).

219 (h) *Court review.* Any decision of the board of review shall become
 220 final as to any party upon the mailing of a copy thereof to such party or to
 221 his attorney, or upon the mailing of a copy thereof to such party at his last-
 222 known address. The Division of Employment Security and any party to a
 223 proceeding before the board of review may secure judicial review of the final
 224 decision of the board of review. Any party not joining in the appeal shall
 225 be made a defendant; the board of review shall be deemed to be a party to
 226 any judicial action involving the review of, or appeal from, any of its deci-
 227 sions, and may be represented in any such judicial action by any qualified
 228 attorney who may be a regular salaried employee of the board of review or
 229 has been designated by it for that purpose, or, at the board of review's re-
 230 quest, by the Attorney-General.

231 (i) *Failure to give notice.* The failure of any public officer or employee
 232 at any time heretofore or hereafter to give notice of determination or de-
 233 cision required in subsections (b), (c) and (e) of this section, as originally

234 passed or amended, shall not relieve any employer's account of any charge
 235 by reason of any benefits paid unless and until that employer can show to
 236 the satisfaction of the director of the division that the said benefits, in
 237 whole or in part, would not have been charged or chargeable to his account
 238 had such notice been given. Any determination hereunder by the director
 239 shall be subject to court review.

1 3. Section 43:21-19 of the Revised Statutes is amended to read as follows:

2 43:21-19. As used in this chapter, unless the context clearly requires
 3 otherwise:

4 (a) (1) "Annual payroll" means the total amount of wages paid during
 5 a calendar year (regardless of when earned) by an employer for employ-
 6 ment.

7 (2) "Average annual payroll" means the average of the annual pay-
 8 rolls of any employer for the last 3 or 5 preceding calendar years, which-
 9 ever average is higher, except that any year or years throughout which an
 10 employer has had no "annual payroll" because of military service shall be
 11 deleted from the reckoning; the "average annual payroll" in such case is to
 12 be determined on the basis of the prior 3 or 5 calendar years in each of which
 13 the employer had an "annual payroll" in the operation of his business, if the
 14 employer resumes his business within 12 months after separation, discharge or
 15 release from such service, under conditions other than dishonorable, and
 16 makes application to have his "average annual payroll" determined on the
 17 basis of such deletion within 12 months after he resumes his business; pro-
 18 vided, however, that "average annual payroll" solely for the purposes of
 19 paragraph (3) of subsection (e) of section 43:21-7 of this Title means the
 20 average of the annual payrolls of any employer, on which he paid contribu-
 21 tions to the State disability benefits fund, for the last 3 or 5 preceding calen-
 22 dar years, whichever average is higher; provided further, that only those
 23 wages be included on which employer contributions have been paid on or
 24 before January 31 immediately preceding the beginning of the 12-months'
 25 period for which the employer's contribution rate is computed.

26 (b) *“Benefits” means the money payments payable to an individual, as*
 27 *provided in this chapter, with respect to his unemployment.*

28 (c) (1) *The term “base year” with respect to benefit years commencing*
 29 *prior to January 1, 1953, means the first 4 of the last 5 completed calendar*
 30 *quarters immediately preceding the first day of an individual’s benefit year;*
 31 *provided, that no calendar quarter shall comprise a part of more than 1 base*
 32 *year.*

33 (2) *“Base year” with respect to benefit years commencing on or after*
 34 *January 1, 1953, shall mean the 52 calendar weeks ending with the second*
 35 *week immediately preceding an individual’s benefit year.*

36 (d) *“Benefit year” with respect to any individual means the 364 consecu-*
 37 *tive calendar days beginning with the day on, or as of, which he first files a*
 38 *valid claim for benefits, and thereafter beginning with the day on, or as of,*
 39 *which the individual next files a valid claim for benefits after the termination*
 40 *of his last preceding benefit year. Any claim for benefits made in accordance*
 41 *with subsection (a) of section 43:21-6 of this Title shall be deemed to be a*
 42 *“valid claim” for the purpose of this subsection if (1) no remuneration was*
 43 *paid or is payable for the day on which, or as of which he files a claim for*
 44 *benefits, and no work is available to him with his current employing unit on*
 45 *such day, or, he is unemployed for the week in which, or as of which, he files*
 46 *a claim for benefits; and (2) he has fulfilled the conditions imposed by sub-*
 47 *section (e) of section 43:21-4 of this Title.*

48 (e) *“Division” means the Division of Employment Security of the De-*
 49 *partment of Labor and Industry established by chapter 446, P. L. 1948, and*
 50 *any transaction or exercise of authority by the director of the division there-*
 51 *under, or under this chapter (R. S. 43:21-1 et seq.), shall be deemed to be per-*
 52 *formed by the division.*

53 (f) *“Contributions” means the money payments to the State unemploy-*
 54 *ment compensation fund required by this chapter.*

55 (g) *“Employing unit” means any individual or type of organization, in-*
 56 *cluding any partnership, association, trust, estate, joint-stock company, insur-*

57 *ance company or corporation, whether domestic or foreign, or the receiver,*
58 *trustee in bankruptcy, trustee or successor thereof, or the legal representative*
59 *of a deceased person, which has or subsequent to January 1, 1936, had in its*
60 *employ 1 or more individuals performing services for it within this State. All*
61 *individuals performing services within this State for any employing unit which*
62 *maintains 2 or more separate establishments within this State shall be deemed*
63 *to be employed by a single employing unit for all the purposes of this chap-*
64 *ter. Whenever any employing unit contracts with or has under it any contrac-*
65 *tor or subcontractor for any employment which is part of its usual trade,*
66 *occupation, profession, or business, unless the employing unit as well as each*
67 *such contractor or subcontractor is an employer by reason of subsection (c)*
68 *of section 43:21-8 of this Title or subsection (h) of this section, the employ-*
69 *ing unit shall for all the purposes of this chapter be deemed to employ each*
70 *individual in the employ of each such contractor or subcontractor for each*
71 *day during which such individual is engaged in performing such employment;*
72 *except that each such contractor or subcontractor who is an employer by rea-*
73 *son of subsection (c) of section 43:21-8 of this Title or subsection (h) of this*
74 *section, shall alone be liable for the contributions measured by wages payable*
75 *to individuals in his employ, and except that any employing unit who shall be-*
76 *come liable for and pay contributions with respect to individuals in the employ*
77 *of any such contractor or subcontractor who is not an employer by reason of*
78 *subsection (c) of section 43:21-8 of this Title or subsection (h) of this section,*
79 *may recover the same from such contractor or subcontractor. Each individ-*
80 *ual employed to perform or to assist in performing the work of any agent or*
81 *employee of an employing unit shall be deemed to be employed by such em-*
82 *ploying unit for all the purposes of this chapter, whether such individual was*
83 *hired or paid directly by such employing unit or by such agent or employee;*
84 *provided, the employing unit had actual or constructive knowledge of the*
85 *work.*

86 (h) “Employer” means:

87 (1) Any employing unit which for some portion of a day, but not
 88 necessarily simultaneously, in each of 20 different weeks, whether or not
 89 such weeks are or were consecutive, within either the current or the preced-
 90 ing calendar year, has or had in employment 4 or more individuals (irre-
 91 spective of whether the same individuals are or were employed in each such
 92 day);

93 (2) Any employing unit which acquired the organization, trade or busi-
 94 ness, or substantially all the assets thereof, of another which at the time of
 95 such acquisition was an employer subject to this chapter;

96 (3) Any employing unit which acquired the organization, trade or busi-
 97 ness, or substantially all the assets thereof, of another employing unit and
 98 which, if treated as a single unit with such other employing unit, would be an
 99 employer under paragraph (1) of this subsection;

100 (4) Any employing unit which together with 1 or more other employing
 101 units, is owned or controlled (by legally enforceable means or otherwise), di-
 102 rectly or indirectly by the same interests, or which owns or controls 1 or more
 103 other employing units (by legally enforceable means or otherwise), and which,
 104 if treated as a single unit with such other employing unit or interest, would be
 105 an employer under paragraph (1) of this subsection;

106 (5) Any employing unit which, having become an employer under para-
 107 graphs (1), (2), (3) or (4), has not, under section 43:21-8 of this Title, ceased
 108 to be an employer subject to this chapter; or

109 (6) For the effective period of its election pursuant to subsection (c) of
 110 section 43:21-8 of this Title any other employing unit which has elected to be-
 111 come fully subject to this chapter.

112 (i) (1) “Employment” means service, including service in interstate com-
 113 merce performed for remuneration or under any contract of hire, written or
 114 oral, express or implied.

115 (2) *The term “employment” shall include an individual’s entire service*
 116 *performed within or both within and without this State if:*

117 (A) *The service is localized in this State; or*

118 (B) *The service is not localized in any State but some of the service*
 119 *is performed in this State, and (i) the base of operations, or, if there is no*
 120 *base of operations, then the place from which such service is directed or*
 121 *controlled, is in this State; or (ii) the base of operations or place from*
 122 *which such service is directed or controlled is not in any State in which*
 123 *some part of the service is performed, but the individual’s residence is in*
 124 *this State.*

125 (3) *Services performed within this State but not covered under paragraph*
 126 *(2) of this subsection shall be deemed to be employment subject to this chap-*
 127 *ter if contributions are not required and paid with respect to such services*
 128 *under an unemployment compensation law of any other State or of the Fed-*
 129 *eral Government.*

130 (4) *Services not covered under paragraph (2) of this subsection, and*
 131 *performed entirely without this State, with respect to no part of which con-*
 132 *tributions are required and paid under an unemployment compensation law*
 133 *of any other State or of the Federal Government, shall be deemed to be em-*
 134 *ployment subject to this chapter if the individual performing such services*
 135 *is a resident of this State and the division approves the election of the em-*
 136 *ploying unit for whom such services are performed that the entire service of*
 137 *such individual shall be deemed to be employment subject to this chapter;*
 138 *provided, written objections on the part of a substantial proportion of such*
 139 *individuals affected are not presented to the division within 10 days follow-*
 140 *ing the filing of such election.*

141 (5) *Service shall be deemed to be localized within a State if*

142 (A) *the service is performed entirely within such State; or*

143 (B) *the service is performed both within and without such State, but*
 144 *the service performed without such State is incidental to the individual’s*

145 *service within the State, for example, is temporary or transitory in*
 146 *nature or consists of isolated transactions.*

147 *(6) Services performed by an individual for remuneration shall be*
 148 *deemed to be employment subject to this chapter unless and until it is shown*
 149 *to the satisfaction of the division that*

150 *(A) such individual has been and will continue to be free from con-*
 151 *trol or direction over the performance of such service both under his*
 152 *contract of service and in fact; and*

153 *(B) such service is either outside the usual course of the business for*
 154 *which such service is performed, or that such service is performed out-*
 155 *side of all the places of business of the enterprise for which such serv-*
 156 *ice is performed; and*

157 *(C) such individual is customarily engaged in an independently*
 158 *established trade, occupation, profession or business.*

159 *(7) The term "employment" shall not include:*

160 *(A) Agricultural labor;*

161 *(B) Domestic service in a private home;*

162 *(C) Service performed by an individual in the employ of his son,*
 163 *daughter or spouse, and service performed by a child under the age of 21*
 164 *in the employ of his father or mother;*

165 *(D) Service performed in the employ of this State or of any po-*
 166 *litical subdivision thereof or of any instrumentality of this State or its*
 167 *political subdivisions;*

168 *(E) Service performed in the employ of any other State or its po-*
 169 *litical subdivisions, or of the United States Government, or of an instru-*
 170 *mentality of any other State or States or their political subdivisions or*
 171 *of the United States;*

172 *(F) Services performed in the employ of a corporation, commu-*
 173 *nity chest, fund, or foundation, organized and operated exclusively for*
 174 *religious, charitable, scientific, literary, hospital, benevolent, philan-*
 175 *thropic, or educational purposes, or for the prevention of cruelty to chil-*

176 *dren or animals, no part of the net earnings of which inures to the bene-*
 177 *fit of any private shareholder or individual;*

178 *(G) Services performed in the employ of fraternal beneficiary*
 179 *societies, orders, or associations operating under the lodge system or for*
 180 *the exclusive benefit of the members of a fraternity itself operating un-*
 181 *der the lodge system and providing for the payment of life, sick, accident*
 182 *or other benefits to the members of such society, order, or association,*
 183 *or their dependents;*

184 *(H) Services performed as an officer or other employee of any build-*
 185 *ing and loan association of this State, except where such services con-*
 186 *stitute the principal employment of the individual; services performed*
 187 *as an officer or other employee of any building and loan association where*
 188 *such association is a member of the Federal Home Loan Bank System;*
 189 *services performed as an officer or other employee of any bank which is*
 190 *a member of the Federal Reserve System;*

191 *(I) Service performed after June 30, 1939, with respect to which*
 192 *unemployment compensation is payable under the Railroad Unemploy-*
 193 *ment Insurance Act (52 Stat. 1094).*

194 *(J) Service performed by agents of insurance companies, exclusive*
 195 *of industrial insurance agents, or by agents of investment companies,*
 196 *who are compensated wholly on a commission basis.*

197 *(K) Services performed by real estate salesmen or brokers who are*
 198 *compensated wholly on a commission basis.*

199 *(L) Services performed in the employ of any veterans' organization*
 200 *chartered by Act of Congress or of any auxiliary thereof, no part of the*
 201 *net earnings of which organization, or auxiliary thereof, inures to the*
 202 *benefit of any private shareholder or individual.*

203 *(M) Service heretofore or hereafter performed for or in behalf of*
 204 *the owner or operator of any theatre, ballroom, amusement hall or other*
 205 *place of entertainment, not in excess of 10 weeks in any calendar year for*
 206 *the same owner or operator, by any leader or musician of a band or*

207 orchestra commonly called a "name band," entertainer, vaudeville art-
 208 ist, actor, actress, singer or other entertainer.

209 (N) Services performed by an individual for a labor union organi-
 210 zation, known and recognized as a union local, as a member of a com-
 211 mittee or committees reimbursed by the union local for time lost from
 212 regular employment, or as a part-time officer of a union local and the re-
 213 muneratation for such services is less than \$250.00 in a calendar year.

214 (j) "Employment office" means a free public employment office, or branch
 215 thereof operated by this State or maintained as a part of a State-controlled
 216 system of public employment offices.

217 (k) "Fund" means the unemployment compensation fund established by
 218 this chapter, to which all contributions required and from which all benefits
 219 provided under this chapter shall be paid.

220 (l) "State" includes, in addition to the States of the United States of
 221 America, Alaska, Hawaii, and the District of Columbia.

222 (m) Unemployment.

223 (1) An individual shall be deemed "unemployed" for any week during
 224 which he is not engaged in full-time work and with respect to which his re-
 225 muneratation is less than his weekly benefit rate.

226 (2) The term "remuneratation," with respect to benefit years commenc-
 227 ing prior to January 1, 1953, and as used in this subsection, shall include
 228 only that part of the same which exceeds \$3.00 for any 1 week.

229 (3) An individual's week of unemployment shall be deemed to com-
 230 mence only after his registration at an employment office, except as the divi-
 231 sion may by regulation otherwise prescribe.

232 (n) "Unemployment compensation administration fund" means the un-
 233 employment compensation administration fund established by this chapter
 234 from which administrative expenses under this chapter shall be paid.

235 (o) "Wages" means remuneratation payable by employers for employ-
 236 ment prior to January 1, 1947, and paid prior to such date; and means re-
 237 muneratation paid subsequent to December 31, 1946, by employers for employ-

238 *ment; provided, however, that for eligibility and benefit purposes wages*
 239 *earned but not paid when the amount thereof has been calculated and is due*
 240 *as determined by the established and customary practices of the employer*
 241 *shall be construed as having been paid when earned.*

242 *(p) "Remuneration" means all compensation for personal services, in-*
 243 *cluding commissions and bonuses and the cash value of all compensation in*
 244 *any medium other than cash.*

245 *(q) "Week" means such period or periods of 7 consecutive days end-*
 246 *ing at midnight, as the division may by regulation prescribe.*

247 *(r) "Calendar quarter" means the period of 3 consecutive calendar*
 248 *months ending on March 31, June 30, September 30, or December 31.*

249 *(s) "Investment company" means any company as defined in paragraph*
 250 *1-a of chapter 322 of the laws of 1938, entitled "An act concerning investment*
 251 *companies, and supplementing Title 17 of the Revised Statutes by adding*
 252 *thereto a new chapter entitled 'investment companies.' "*

253 *(t) "Base week" means any calendar week of an individual's base year*
 254 *during which he earned in employment from an employer remuneration equal*
 255 *to not less than \$15.00; provided, if in any calendar week, an individual is in*
 256 *employment with more than 1 employer, he may in such calendar week estab-*
 257 *lish a base week with respect to each such employer from whom the individual*
 258 *earns remuneration equal to not less than \$15.00 during such week.*

259 *(u) "Average weekly wage" means the amount derived by dividing an*
 260 *individual's total wages received during his base year base weeks from that*
 261 *most recent base year employer with whom he had established at least 17*
 262 *base weeks by the number of base weeks in which such wages were earned.*
 263 *In the event that such claimant had no employer in his base year with whom*
 264 *he had established at least 17 base weeks, then such individual's average*
 265 *weekly wage shall be computed as if all of his base week wages were received*
 266 *from 1 employer and as if all his base weeks of employment had been per-*
 267 *formed in the employ of 1 employer.*

268 *If on application of a claimant it is determined that he has been em-*
 269 *ployed during at least the 4 weeks immediately preceding his separation from*
 270 *employment by an employer on a substantially reduced schedule of weekly*
 271 *hours due to lack of work, all weeks of substantially reduced schedule within*
 272 *the base period and his wages therefor shall be disregarded in computing*
 273 *his average weekly wage.*

274 *(v) "Initial determination" means, subject to the provisions of R. S.*
 275 *43:21-6 (b) and (3), a determination of benefit rights as measured by an*
 276 *eligible individual's base year employment with a single employer covering*
 277 *all periods of employment with that employer during the base year. Subject*
 278 *to the provisions of R. S. 43:21-3 (d) (3) an individual has been in employ-*
 279 *ment in his base year with more than 1 employer, no benefits shall be paid to*
 280 *that individual under any successive initial determination until his benefit*
 281 *rights have been exhausted under the next preceding initial determination.*

282 *(w) "Last date of employment" means the last calendar day in the base*
 283 *year of an individual on which he performed services in employment for a*
 284 *given employer.*

285 *(x) "Most recent base year employer" means that employer with whom*
 286 *the individual most recently, in point of time, performed services in employ-*
 287 *ment in the base year.*

288 *4. This act shall take effect October 1, 1955, and shall apply only with re-*
 289 *spect to benefit years beginning on and after October 1, 1955.*