

43:21-4 et al

LEGISLATIVE HISTORY CHECKLIST

NJSA: 43:21-4 et al (Unemployment insurance--
"unemployed status")

LAWS OF: 1989 **CHAPTER:** 89

BILL NO: S3046

SPONSOR(S): Jackman and others

Date Introduced: December 8, 1989

Committee: **Assembly:** Labor
Senate: Labor, Industry and Professions

Amended during passage: Yes Amendments during passage
denoted by asterisks.

Date of Passage: **Assembly:** March 2, 1989
Senate: December 19, 1988

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Following statements are attached if available:

Sponsor statement:		Yes
Committee statement:	Assembly	Yes
	Senate	Yes
Fiscal Note:		No
Veto Message:		No
Message on Signing:		No
Following were printed:		
Reports:		No
Hearings:		No

RDV

STATE OF NEW JERSEY

INTRODUCED DECEMBER 8, 1988

By Senators JACKMAN, COWAN, FELDMAN and O'CONNOR

1 AN ACT ²[¹concerning the disposition of part of the
2 contributions of certain governmental employees,¹]² modifying
3 the eligibility requirements for unemployment compensation
4 benefits and amending R.S.43:21-4 ²[¹, R.S.43:21-7 and
5 P.L.1971, c.346¹]².

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

9 1. R.S.43:21-4 is amended to read as follows:

10 43:21-4. Benefit eligibility conditions. An unemployed
11 individual shall be eligible to receive benefits with respect to any
12 week only if:

13 (a) The individual has filed a claim at an unemployment
14 insurance claims office and thereafter continues to report at an
15 employment service office or unemployment insurance claims
16 office, as directed by the division in accordance with such
17 regulations as the division may prescribe, except that the division
18 may, by regulation, waive or alter either or both of the
19 requirements of this subsection as to individuals attached to
20 regular jobs, and as to such other types of cases or situations with
21 respect to which the division finds that compliance with such
22 requirements would be oppressive, or would be inconsistent with
23 the purpose of this act; provided that no such regulation shall
24 conflict with subsection (a) of R.S.43:21-3.

25 (b) The individual has made a claim for benefits in accordance
26 with the provisions of subsection (a) of R.S.43:21-6.

27 (c) (1) The individual is able to work, and is available for
28 work, and has demonstrated to be actively seeking work, except
29 as hereinafter provided in this subsection or in subsection (f) of
30 this section.

31 (2) The director may modify the requirement of actively
32 seeking work if such modification of this requirement is
33 warranted by economic conditions.

EXPLANATION--Matter enclosed in bold-faced brackets [thus] in the
above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Senate SLI committee amendments adopted December 8, 1988.

² Assembly ALA committee amendments adopted January 23, 1989.

1 (3) No individual, who is otherwise eligible, shall be deemed
ineligible, or unavailable for work, because the individual is on
3 vacation, without pay, during said week, if said vacation is not
the result of the individual's own action as distinguished from
5 any collective action of a collective bargaining agent or other
action beyond the individual's control.

7 (4) Subject to such limitations and conditions as the division
may prescribe, an individual, who is otherwise eligible, shall not
9 be deemed unavailable for work or ineligible because the
individual is attending a training program approved for the
11 individual by the division to enhance the individual's employment
opportunities or because the individual failed or refused to accept
13 work while attending such program.

(5) An unemployed individual, who is otherwise eligible, shall
15 not be deemed unavailable for work or ineligible solely by reason
of the individual's attendance before a court in response to a
17 summons for service on a jury.

(6) An unemployed individual, who is otherwise eligible, shall
19 not be deemed unavailable for work or ineligible solely by reason
of the individual's attendance at the funeral of an immediate
21 family member, provided that the duration of the attendance
does not extend beyond a two day period.

23 For purposes of this paragraph, "immediate family member"
includes any of the following individuals: father, mother,
25 mother-in-law, father-in-law, grandmother, grandfather,
grandchild, spouse, child, foster child, sister or brother of the
27 unemployed individual and any relatives of the unemployed
individual residing in the unemployed individual's household.

29 (d) The individual has been totally or partially unemployed for
a waiting period of one week in the benefit year which includes
31 that week. When benefits become payable with respect to the
third consecutive week next following the waiting period, the
33 individual shall be eligible to receive benefits as appropriate with
respect to the waiting period. No week shall be counted as a week
35 of unemployment for the purposes of this subsection:

37 (1) If benefits have been paid, or are payable with respect
thereto; provided that the requirements of this paragraph shall be
waived with respect to any benefits paid or payable for a waiting
39 period as provided in this subsection;

1 (2) If it has constituted a waiting period week under the
"Temporary Disability Benefits Law[;"] ," P.L.1948, c.110
3 (C.43:21-25 et seq.);

5 (3) Unless the individual fulfills the requirements of
subsections (a) and (c) of this section;

7 (4) If with respect thereto, claimant was disqualified for
benefits in accordance with the provisions of subsection (d) of
R.S.43:21-5.

9 (e) (1) With respect to a base year as defined in subsection (c)
of R.S.43:21-19, the individual has established at least 20 base
11 weeks as defined in paragraph (1) of subsection (t) of
R.S.43:21-19, or, in those instances in which the individual has
13 not established 20 base weeks, the individual has earned \$2,200.00
for benefit years commencing prior to October 1, 1984; and,
15 except as otherwise provided in paragraph (2) or paragraph (3) of
this subsection, for benefit years commencing on or after
17 October 1, 1984, the individual has earned 12 times the Statewide
average weekly remuneration paid to workers, as determined
19 under R.S.43:21-3(c), raised to the next higher multiple of
\$100.00 if not already a multiple thereof, or more in the
21 individual's base year.

(2) Notwithstanding the provisions of paragraph (1) of this
23 subsection, for benefit years commencing on or after October 1,
1984 and before January 1, 1985, an unemployed individual
25 claiming benefits on the basis of service performed in the
production and harvesting of agricultural crops shall, subject to
27 the limitations of subsection (i) of R.S.43:21-19, be eligible to
receive benefits if it appears that the individual has established
29 at least 20 base weeks as defined in paragraph (2) of subsection
(t) of R.S.43:21-19, or, in those instances in which the individual
31 has not established 20 base weeks, the individual has earned
\$2,200.00.

33 (3) Notwithstanding the provisions of paragraph (1) of this
subsection, an unemployed individual claiming benefits on the
35 basis of service performed in the production and harvesting of
agricultural crops shall, subject to the limitations of subsection
37 (i) of R.S.43:21-19, be eligible to receive benefits if during his
base year, as defined in subsection (c) of R.S.43:21-19, the
39 individual:

1 (A) Has established at least 20 base weeks as defined in
paragraph (1) of subsection (t) of R.S.43:21-19; or

3 (B) Has earned 12 times the Statewide average weekly
remuneration paid to workers, as determined under
5 R.S.43:21-3(c), raised to the next higher multiple of \$100.00 if
not already a multiple thereof, or more; or

7 (C) Has performed at least 770 hours of service in the
production and harvesting of agricultural crops.

9 (4) The individual applying for benefits in any successive
benefit year has earned at least six times his previous weekly
11 benefit amount and has had four weeks of employment since the
beginning of the immediately preceding benefit year. This
13 provision shall be in addition to the earnings requirements
specified in paragraph (1), (2), or (3) of this subsection, as
15 applicable.

(f) (1) The individual has suffered any accident or sickness not
17 compensable under the Workers' Compensation Law (Title 34 of
the Revised Statutes) and resulting in the individual's total
19 disability to perform any work for remuneration, and would be
eligible to receive benefits under this chapter (R.S.43:21-1 et
21 seq.) (without regard to the maximum amount of benefits payable
during any benefit year) except for the inability to work and has
23 furnished notice and proof of claim to the division, in accordance
with its rules and regulations, and payment is not precluded by
25 the provisions of R.S.43:21-3(d); provided, however, that benefits
paid under this subsection (f) shall be computed on the basis of
27 only those base year wages earned by the claimant as a "covered
individual," as defined in R.S. 43:21-27(b); provided further that
29 no benefits shall be payable under this subsection to any
individual:

31 (A) For any period during which such individual is not under the
care of a legally licensed physician, dentist, optometrist,
33 podiatrist or chiropractor;

(B) (Deleted by amendment, P.L.1980, c.90.)

35 (C) For any period of disability due to willfully or intentionally
self-inflicted injury, or to injuries sustained in the perpetration
37 by the individual of a crime of the first, second or third degree;

(D) For any week with respect to which or a part of which the
39 individual has received or is seeking benefits under any

1 unemployment compensation or disability benefits law of any
2 other state or of the United States; provided that if the
3 appropriate agency of such other state or the United States
4 finally determines that the individual is not entitled to such
5 benefits, this disqualification shall not apply;

(E) For any week with respect to which or part of which the
7 individual has received or is seeking disability benefits under the
8 "Temporary Disability Benefits Law;" , P.L.1948, c.110
9 (C.43:21-25 et seq.);

(F) For any period of disability commencing while such
11 individual is a "covered individual," as defined in subsection 3(b)
12 of the "Temporary Disability Benefits Law," [(P.L.1948, c. 110)]
13 (C.43:21-25 et seq.).

(2) Benefit payments under this subsection shall be charged to
15 and paid from the State disability benefits fund established by the
16 "Temporary Disability Benefits Law," P.L.1948, c.110
17 (C.43:21-25 et seq.), and shall not be charged to any employer
18 account in computing any employer's experience rate for
19 contributions payable under this chapter.

(g) Benefits based on service in employment defined in
21 subparagraphs (B) and (C) of R.S.43:21-19(i)(1) shall be payable in
22 the same amount and on the terms and subject to the same
23 conditions as benefits payable on the basis of other service
24 subject to the "unemployment compensation law;" except that,
25 notwithstanding any other provisions of the "unemployment
26 compensation law:"

(1) With respect to service performed after December 31,
27 1977, in an instructional research, or principal administrative
28 capacity for an educational institution, benefits shall not be paid
29 based on such services for any week of unemployment
30 commencing during the period between two successive academic
31 years, or during a similar period between two regular terms,
32 whether or not successive, or during a period of paid sabbatical
33 leave provided for in the individual's contract, to any individual
34 if such individual performs such services in the first of such
35 academic years (or terms) and if there is a contract or a
36 reasonable assurance that such individual will perform services in
37 any such capacity for any educational institution in the second of
38 such academic years or terms;
39

1 (2) With respect to weeks of unemployment beginning after
2 September 3, 1982, on the basis of service performed in any other
3 capacity for an educational institution, benefits shall not be paid
4 on the basis of such services to any individual for any week which
5 commences during a period between two successive academic
6 years or terms if such individual performs such services in the
7 first of such academic years or terms and there is a reasonable
8 assurance that such individual will perform such services in the
9 second of such academic years or terms, except that if benefits
10 are denied to any individual under this paragraph (2) and the
11 individual was not offered an opportunity to perform these
12 services for the educational institution for the second of any
13 academic years or terms, the individual shall be entitled to a
14 retroactive payment of benefits for each week for which the
15 individual filed a timely claim for benefits and for which benefits
16 were denied solely by reason of this clause;

17 (3) With respect to those services described in paragraphs (1)
18 and (2) above, benefits shall not be paid on the basis of such
19 services to any individual for any week which commences during
20 an established and customary vacation period or holiday recess if
21 such individual performs such services in the period immediately
22 before such vacation period or holiday recess, and there is a
23 reasonable assurance that such individual will perform such
24 services in the period immediately following such period or
25 holiday recess;

26 (4) With respect to any services described in paragraphs (1) and
27 (2) above, benefits shall not be paid as specified in paragraphs (1),
28 (2), and (3) above to any individual who performed those services
29 in an educational institution while in the employ of an
30 educational service agency, and for this purpose the term
31 "educational service agency" means a governmental agency or
32 governmental entity which is established and operated exclusively
33 for the purpose of providing those services to one or more
34 educational institutions.

35 (h) Benefits shall not be paid to any individual on the basis of
36 any services, substantially all of which consist of participating in
37 sports or athletic events or training or preparing to so
38 participate, for any week which commences during the period
39 between two successive sports seasons (or similar periods) if such

1 individual performed such services in the first of such seasons (or
similar periods) and there is a reasonable assurance that such
3 individual will perform such services in the later of such seasons
(or similar periods).

5 (i) (1) Benefits shall not be paid on the basis of services
performed by an alien unless such alien is an individual who was
7 lawfully admitted for permanent residence at the time the
services were performed and was lawfully present for the purpose
9 of performing the services or otherwise was permanently residing
in the United States under color of law at the time the services
11 were performed (including an alien who is lawfully present in the
United States as a result of the application of the provisions of
13 [section 203(a)(7)] (8 U.S.C. §1153 (a) (7)) or [section 212(d)(5)] (8
U.S.C. §1182 (d)(5)) of the Immigration and Nationality Act (8
15 U.S.C. §1101 et seq.)); provided that any modifications of the
provisions of section 3304(a)(14) of the federal Unemployment
17 Tax Act (26 U.S.C. §3304 (a) (14)), as provided by Public Law
94-566, which specify other conditions or other effective dates
19 than stated herein for the denial of benefits based on services
performed by aliens and which modifications are required to be
21 implemented under State law as a condition for full tax credit
against the tax imposed by the federal Unemployment Tax Act,
23 shall be deemed applicable under the provisions of this section.

(2) Any data or information required of individuals applying for
25 benefits to determine whether benefits are not payable to them
because of their alien status shall be uniformly required from all
27 applicants for benefits.

(3) In the case of an individual whose application for benefits
29 would otherwise be approved, no determination that benefits to
such individual are not payable because of alien status shall be
31 made except upon a preponderance of the evidence.

(j) Notwithstanding any other provision of this chapter, the
33 director may, to the extent that it may be deemed efficient and
economical, provide for consolidated administration by one or
35 more representatives or deputies of claims made pursuant to
subsection (f) of this section with those made pursuant to Article
37 III (State plan) of the "Temporary Disability Benefits Law[.]" ,"
P.L.1948, c.110 (C.43:21-25 et seq.).

39 (cf: P.L.1987, c.391, s.1)

1 ²[12. R.S.43:21-7 is amended to read as follows:

3 43:21-7. Contributions. Employers other than governmental
4 entities, whose benefit financing provisions are set forth in
5 section 4 of P.L.1971, c.346 (C.43:21-7.3) and those nonprofit
6 organizations liable for payment in lieu of contributions on the
7 basis set forth in section 3 of P.L.1971, c.346 (C.43:21-7.2), shall
8 pay to the controller for the Unemployment Compensation Fund,
9 contributions as set forth in subsections (a), (b) and (c) hereof,
10 and the provisions of subsections (d) and (e) shall be applicable to
11 all employers, consistent with the provisions of the
12 "unemployment compensation law," (R.S.43:21-1 et seq.) and the
13 "Temporary Disability Benefits Law," P.L.1948, c.110
(C.43:21-25 et seq.).

(a) Payment.

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

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

27 (b) Rate of contributions. Each employer shall pay the
28 following contributions:

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

33 (2) The "wages" of any individual, with respect to any one
34 employer, as the term is used in this subsection (b) and in
35 subsections (c), (d) and (e) of this section 7, shall include the first
36 \$4,800.00 paid during calendar year 1975, for services performed
37 either within or without this State; provided that no contribution
38 shall be required by this State with respect to services performed
39 in another state if such other state imposes contribution liability

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

15 (3) For calendar years beginning on and after January 1, 1976,
16 the "wages" of any individual, as defined in the preceding
17 paragraph (2) of this subsection (b), shall be established and
18 promulgated by the Commissioner of Labor on or before
19 September 1 of the preceding year and shall be 28 times the
20 Statewide average weekly remuneration paid to workers by
21 employers, as determined under paragraph (3) of subsection (c) of
22 R.S.43:21-3 [(c)], raised to the next higher multiple of \$100.00 if
23 not already a multiple thereof, provided that if the amount of
24 wages so determined for a calendar year is less than the amount
25 similarly determined for the preceding year, the greater amount
26 will be used; provided, further, that if the amount of such wages
27 so determined does not equal or exceed the amount of wages as
28 defined in subsection (b) of section 3306 of the federal
29 Unemployment Tax Act, Chapter 23 of the Internal Revenue
30 Code of 1954, the wages as determined in this paragraph in any
31 calendar year shall be raised to equal the amount established
32 under the federal Unemployment Tax Act for that calendar year.

33 (c) Future rates based on benefit experience.

34 (1) A separate account for each employer shall be maintained
35 and this shall be credited with all the contributions which he has
36 paid on his own behalf on or before January 31 of any calendar
37 year with respect to employment occurring in the preceding
38 calendar year; provided, however, that if January 31 of any
39 calendar year falls on a Saturday or Sunday, an employer's

1 account shall be credited as of January 31 of such calendar year
with all the contributions which he has paid on or before the next
3 succeeding day which is not a Saturday or Sunday. But nothing in
this chapter (R.S.43:21-1 et seq.) shall be construed to grant any
5 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
7 behalf of such individuals. Benefits paid with respect to benefit
years commencing on and after January 1, 1953, to any individual
9 on or before December 31 of any calendar year with respect to
unemployment in such calendar year and in preceding calendar
11 years shall be charged against the account or accounts of the
employer or employers in whose employment such individual
13 established base weeks constituting the basis of such benefits.
Benefits paid under a given benefit determination shall be
15 charged against the account of the employer to whom such
determination relates. When each benefit payment is made,
17 either a copy of the benefit check or other form of notification
shall be promptly sent to the employer against whose account the
19 benefits are to be charged. Such copy or notification shall
identify the employer against whose account the amount of such
21 payment is being charged, shall show at least the name and social
security account number of the claimant and shall specify the
23 period of unemployment to which said check applies. If the total
amount of benefits paid to a claimant and charged to the account
25 of the appropriate employer exceeds 50% of the total base year,
base week wages paid to the claimant by that employer, then
27 such employer shall have canceled from his account such excess
benefit charges as specified above.

29 Each employer shall be furnished an annual summary statement
of benefits charged to his account.

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

(3) No employer's rate shall be lower than 5.4% unless
39 assignment of such lower rate is consistent with the conditions

1 applicable to additional credit allowance for such year under
2 section 3303 (a) (1) of the Internal Revenue Code (26 U.S.C. §
3 3303 (a) (1)), any other provision of this section to the contrary
4 notwithstanding.

5 (4) Employer Reserve Ratio. (A) Each employer's rate shall
6 be 2 8/10%, except as otherwise provided in the following
7 provisions. No employer's rate for the 12 months commencing
8 July 1 of any calendar year shall be other than 2 8/10%, unless as
9 of the preceding January 31 such employer shall have paid
10 contributions with respect to wages paid in each of the three
11 calendar years immediately preceding such year, in which case
12 such employer's rate for the 12 months commencing July 1 of
13 any calendar year shall be determined on the basis of his record
14 up to the beginning of such calendar year. If, at the beginning of
15 such calendar year, the total of all his contributions, paid on his
16 own behalf, for all past years exceeds the total benefits charged
17 to his account for all such years, his contribution rate shall be:

18 (1) 2 5/10%, if such excess equals or exceeds 4%, but less
19 than 5%, of his average annual payroll (as defined in paragraph
20 (2), subsection (a) of [section] R.S.43:21-19 [of this Title]);

21 (2) 2 2/10%, if such excess equals or exceeds 5%, but is less
22 than 6%, of his average annual payroll;

23 (3) 1 9/10%, if such excess equals or exceeds 6%, but is less
24 than 7%, of his average annual payroll;

25 (4) 1 6/10%, if such excess equals or exceeds 7%, but is less
26 than 8%, of his average annual payroll;

27 (5) 1 3/10%, if such excess equals or exceeds 8%, but is less
28 than 9%, of his average annual payroll;

29 (6) 1%, if such excess equals or exceeds 9%, but is less than
30 10%, of his average annual payroll;

31 (7) 7/10 of 1%, if such excess equals or exceeds 10%, but is
32 less than 11%, of his average annual payroll;

33 (8) 4/10 of 1%, if such excess equals or exceeds 11% of his
34 average annual payroll.

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

39 (1) 4%, if such excess is less than 10% of his average annual

1 payroll;

2 (2) 4 3/10%, if such excess equals or exceeds 10%, but is less
3 than 20%, of his average annual payroll;

4 (3) 4 6/10%, if such excess equals or exceeds 20% of his
5 average annual payroll.

6 (C) Specially assigned rates. If no contributions were paid on
7 wages for employment in any calendar year used in determining
8 the average annual payroll of an employer eligible for an assigned
9 rate under this paragraph (4), the employer's rate shall be
10 specially assigned as follows: (i) if the reserve balance in its
11 account is positive, its assigned rate shall be the highest rate in
12 effect for positive balance accounts for that period, or 5.4%,
13 whichever is higher, and (ii) if the reserve balance in its account
14 is negative, its assigned rate shall be the highest rate in effect
15 for deficit accounts for that period.

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

20 (5) (A) Unemployment Trust Fund Reserve Ratio. If on March
21 31 of any calendar year the balance in the unemployment trust
22 fund equals or exceeds 4% but is less than 7% of the total taxable
23 wages reported to the controller as of that date in respect to
24 employment during the preceding calendar year, the contribution
25 rate, effective July 1 following, of each employer eligible for a
26 contribution rate calculation based upon benefit experience, shall
27 be increased by 3/10 of 1% over the contribution rate otherwise
28 established under the provisions of paragraph (3) or (4) of this
29 subsection. If on March 31 of any calendar year the balance of
30 the unemployment trust fund exceeds 2½% but is less than 4% of
31 the total taxable wages reported to the controller as of that date
32 in respect to employment during the preceding calendar year, the
33 contribution rate, effective July 1 following, of each employer
34 eligible for a contribution rate calculation based upon benefit
35 experience, shall be increased by 6/10 of 1% over the
36 contribution rate otherwise established under the provisions of
37 paragraph (3) or (4) of this subsection.

38 If on March 31 of any calendar year the balance of the
39 unemployment trust fund is less than 2½% of the total taxable

1 wages reported to the controller, as of that date in respect to
employment during the preceding calendar year, the contribution
3 rate, effective July 1 following, of each employer (1) eligible for
a contribution rate calculation based upon benefit experience,
5 shall be increased by (i) $\frac{6}{10}$ of 1% over the contribution rate
otherwise established under the provisions of paragraph (3), (4)
7 (A) or (4) (B) of this subsection, and (ii) an additional amount
equal to 20% of the total rate established herein, provided,
9 however, that the final contribution rate for each employer shall
be computed to the nearest multiple of $\frac{1}{10}$ % if not already a
11 multiple thereof; (2) not eligible for a contribution rate
calculation based upon benefit experience, shall be increased by
13 $\frac{6}{10}$ of 1% over the contribution rate otherwise established under
the provisions of paragraph (4) of this subsection. For the period
15 commencing July 1, 1984 and ending June 30, 1986, the
contribution rate for each employer liable to pay contributions
17 under R.S.43:21-7 shall be increased by a factor of 10% computed
to the nearest multiple of $\frac{1}{10}$ % if not already a multiple thereof.

19 (B) If on March 31 of any calendar year the balance in the
unemployment trust fund equals or exceeds 10% but is less than
21 $12\frac{1}{2}$ % of the total taxable wages reported to the controller as of
that date in respect to employment during the preceding calendar
23 year, the contribution rate, effective July 1 following, of each
employer eligible for a contribution rate calculation based upon
25 benefit experience, shall be reduced by $\frac{3}{10}$ of 1% under the
contribution rate otherwise established under the provisions of
27 paragraphs (3) and (4) of this subsection; provided that in no event
shall the contribution rate of any employer be reduced to less
29 than $\frac{4}{10}$ of 1%. If on March 31 of any calendar year the balance
in the unemployment trust fund equals or exceeds $12\frac{1}{2}$ % of the
31 total taxable wages reported to the controller as of that date in
respect to employment during the preceding calendar year, the
33 contribution rate, effective July 1 following, of each employer
eligible for a contribution rate calculation based upon benefit
35 experience, shall be reduced by $\frac{6}{10}$ of 1% if his account for all
past periods reflects an excess of contributions paid over total
37 benefits charged of 3% or more of his average annual payroll,
otherwise by $\frac{3}{10}$ of 1% under the contribution rate otherwise
39 established under the provisions of paragraphs (3) and (4) of this

1 subsection; provided that in no event shall the contribution rate
of any employer be reduced to less than 4/10 of 1%.

3 (C) The "balance" in the unemployment trust fund, as the term
is used in subparagraphs (A) and (B) above, shall not include
5 moneys credited to the State's account under section 903 of the
Social Security Act, as amended (42 U.S.C. § 1103), during any
7 period in which such moneys are appropriated for the payment of
expenses incurred in the administration of Unemployment
9 Compensation Law.

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

(E) With respect to experience rating years beginning on or
17 after July 1, 1986, the new employer rate or the unemployment
experience rate of an employer under this section shall be the
19 rate which appears in the column headed by the Unemployment
Trust Fund Reserve Ratio as of the applicable calculation date
21 and on the line with the Employer Reserve Ratio, as defined in
paragraph 4 of this subsection (c) (R.S.43:21-7 [(c) (4)]), as set
23 forth in the following table:

EXPERIENCE RATING TAX TABLE

		FUND RESERVE RATIO ¹				
Employer	10.00%	7.00%	4.00%	2.50%	2.49%	
Reserve	and	to	to	to	and	
Ratio ²	Over	9.99%	6.99%	3.99%	Under	
	A	B	C	D	E	
Positive Reserve Ratio:						
17% and over	0.3	0.4	0.5	0.6	1.2	
16.00% to 16.99%	0.4	0.5	0.6	0.6	1.2	
15.00% to 15.99%	0.4	0.6	0.7	0.7	1.2	
14.00% to 14.99%	0.5	0.6	0.7	0.8	1.2	
13.00% to 13.99%	0.6	0.7	0.8	0.9	1.2	
12.00% to 12.99%	0.6	0.8	0.9	1.0	1.2	
11.00% to 11.99%	0.7	0.8	1.0	1.1	1.2	
10.00% to 10.99%	0.9	1.1	1.3	1.5	1.6	
9.00% to 9.99%	1.0	1.3	1.6	1.7	1.9	

1	8.00% to 8.99%	1.3	1.6	1.9	2.1	2.3
	7.00% to 7.99%	1.4	1.8	2.2	2.4	2.6
3	6.00% to 6.99%	1.7	2.1	2.5	2.8	3.0
	5.00% to 5.99%	1.9	2.4	2.8	3.1	3.4
5	4.00% to 4.99%	2.0	2.6	3.1	3.4	3.7
	3.00% to 3.99%	2.1	2.7	3.2	3.6	3.9
7	2.00% to 2.99%	2.2	2.8	3.3	3.7	4.0
	1.00% to 1.99%	2.3	2.9	3.4	3.8	4.1
9	0.00% to 0.99%	2.4	3.0	3.6	4.0	4.3
	Deficit Reserve Ratio:					
11	- 0.00% to - 2.99%	3.4	4.3	5.1	5.6	6.1
	- 3.00% to - 5.99%	3.4	4.3	5.1	5.7	6.2
13	- 6.00% to - 8.99%	3.5	4.4	5.2	5.8	6.3
	- 9.00% to -11.99%	3.5	4.5	5.3	5.9	6.4
15	-12.00% to -14.99%	3.6	4.6	5.4	6.0	6.5
	-15.00% to -19.99%	3.6	4.6	5.5	6.1	6.6
17	-20.00% to -24.99%	3.7	4.7	5.6	6.2	6.7
	-25.00% to -29.99%	3.7	4.8	5.6	6.3	6.8
19	-30.00% to -34.99%	3.8	4.8	5.7	6.3	6.9
	-35.00% and under	5.4	5.4	5.8	6.4	7.0
21	New Employer Rate	2.8	2.8	2.8	3.1	3.4

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

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

(F) With respect to experience rating years beginning on or after July 1, 1986, if the balance of the unemployment trust fund as of the prior March is negative, the contribution rate for each employer liable to pay contributions, as computed under subparagraph (E) of this paragraph (5), shall be increased by a factor of 10% computed to the nearest multiple of 1/10% if not already a multiple thereof.

(6) Additional contributions.

Notwithstanding any other provision of law, any employer who has been assigned a contribution rate pursuant to subsection (c) of this section for the year commencing July 1, 1948, and for any year commencing July 1 thereafter, may voluntarily make payment of additional contributions, and upon such payment shall receive a recomputation of the experience rate applicable to such

1 employer, including in the calculation the additional contribution
so made. Any such additional contribution shall be made during
3 the 30-day period following the date of the mailing to the
employer of the notice of his contribution rate as prescribed in
5 this section, unless, for good cause, the time for payment has
been extended by the controller for a period not to exceed an
7 additional 60 days; provided that in no event may such payments
which are made later than 120 days after the beginning of the
9 year for which such rates are effective be considered in
determining the experience rate for the year in which the
11 payment is made. Any employer receiving any extended period of
time within which to make such additional payment and failing to
13 make such payment timely shall pay, in addition to the required
amount of additional payment, a penalty of 5% thereof or \$5.00,
15 whichever is greater, not to exceed \$50.00. Any adjustment
under this subsection shall be made only in the form of credits
17 against accrued or future contributions.

(7) Transfers.

19 (A) Upon the transfer of the organization, trade or business, or
substantially all the assets of an employer to a successor in
21 interest, whether by merger, consolidation, sale, transfer,
descent or otherwise, the controller shall transfer the
23 employment experience of the predecessor employer to the
successor in interest, including credit for past years,
25 contributions paid, annual payrolls, benefit charges, et cetera,
applicable to such predecessor employer, pursuant to regulation,
27 if it is determined that the employment experience of the
predecessor employer with respect to the organization, trade,
29 assets or business which has been transferred, may be considered
indicative of the future employment experience of the successor
31 in interest. Unless the predecessor employer was owned or
controlled (by legally enforceable means or otherwise), directly
33 or indirectly, by the successor in interest, or the predecessor
employer and the successor in interest were owned or controlled
35 (by legally enforceable means or otherwise), directly or
indirectly, by the same interest or interests, the transfer of the
37 employment experience of the predecessor shall not be effective
if such successor in interest, within four months of the date of
39 such transfer of the organization, trade, assets or business, or

1 thereafter upon good cause shown, files a written notice
2 protesting the transfer of the employment experience of the
3 predecessor employer.

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

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

33 (d) Contributions of workers, transfers to temporary disability
34 benefit fund.

35 (1) (A) For periods after January 1, 1975, each worker shall
36 contribute to the fund 1% of his wages with respect to his
37 employment with an employer, which occurs on and after January
38 1, 1975, after such employer has satisfied the conditions set forth
39 in subsection (h) of [section] R.S.43:21-19 [of this Title] with

1 respect to becoming an employer; provided, however, that such
contributions shall be at the rate of $\frac{1}{2}$ of 1% of wages paid with
3 respect to employment while the worker is in the employ of the
State of New Jersey, or any governmental entity or
5 instrumentality which is an employer, as defined under paragraph
(5) of subsection (h) of R.S.43:21-19[(h) (5)], or is covered by an
7 approved private plan under the "Temporary Disability Benefits
Law" or while the worker is exempt from the provisions of the
9 "Temporary Disability Benefits Law" under section 7 of that law
(P.L.1948, c.110, C.43:21-31).

11 (B) Effective January 1, 1978 there shall be no contributions
by workers in the employ of any governmental or
13 nongovernmental employer electing or required to make
payments in lieu of contributions unless the employer is covered
15 by the State plan under the "Temporary Disability Benefits Law"
(C.43:21-37 et seq.), and in that case contributions shall be at the
17 rate of $\frac{1}{2}$ of 1%, except that commencing July 1, 1986, workers
in the employ of any nongovernmental employer electing or
19 required to make payments in lieu of contributions shall be
required to make contributions to the fund at the same rate
21 prescribed for workers of other nongovernmental employers.

(C) Notwithstanding the above provisions of this paragraph (1),
23 on or after July 1, 1986, each worker shall contribute to the fund
1.125% of wages paid with respect to his employment with a
25 government employer electing or required to pay contributions or
nongovernmental employer, including a nonprofit organization
27 which is an employer as defined under paragraph (6) of subsection
(h) of R.S.43:21-19 [(h) (6)], regardless of whether that nonprofit
29 organization elects or is required to finance its benefit costs with
contributions to the fund or by payments in lieu of contributions,
31 after that employer has satisfied the conditions set forth in
subsection h of R.S.43:21-19 [(h) of this Title] with respect to
33 becoming an employer. Contributions, however, shall be at the
rate of 0.625% while the worker is covered by an approved
35 private plan under the "Temporary Disability Benefits Law" or
while the worker is exempt under section 7 of that law
37 (C.43:21-31) or any other provision of that law; provided that
such contributions shall be at the rate of [0.625%] 0.5% of wages
39 paid with respect to employment with the State of New Jersey or

1 any other governmental entity or instrumentality electing or
2 required to make payments in lieu of contributions and which is
3 covered by the State plan under the "Temporary Disability
4 Benefits Law" [, except that, while the worker is exempt from
5 the provisions of the Temporary Disability Benefits Law under
6 section 7 of that law (C.43:21-31) or any other provision of that
7 law, or is covered for disability benefits by an approved private
8 plan of the employer, the contribution to the fund shall be
9 0.125%].

(D) Each employer shall, notwithstanding any provision of law
11 in this State to the contrary, withhold in trust the amount of his
12 workers' contributions from their wages at the time such wages
13 are paid, shall show such deduction on his payroll records, shall
14 furnish such evidence thereof to his workers as the division or
15 controller may prescribe, and shall transmit all such
16 contributions, in addition to his own contributions, to the office
17 of the controller in such manner and at such times as may be
18 prescribed. If any employer fails to deduct the contributions of
19 any of his workers at the time their wages are paid, or fails to
20 make a deduction therefor at the time wages are paid for the
21 next succeeding payroll period, he alone shall thereafter be liable
22 for such contributions, and for the purpose of [section]
23 R.S.43:21-14 [of this Title], such contributions shall be treated as
24 employer's contributions required from him.

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

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

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

(C) With respect to wages paid on and after January 1, 1975,
31 there shall be deposited in and credited to the State Disability
32 Benefits Fund, as established by law, one-half of all worker
33 contributions received by the controller upon which the rate of
34 contribution is 1%.

(D) [All] With respect to wages paid on or after January 1,
35 1975, there shall be deposited in and credited to the State
36 Disability Benefits Fund, all worker contributions received by the
37 controller from all employers electing or required to make
38 payments in lieu of contributions, upon which the rate of
39

1 contributions is 1/2 of 1%, except the State of New Jersey or any
2 other governmental entity or instrumentality defined as an
3 employer under paragraph (5) of subsection (h) of R.S.43:21-19
4 [(h) (5)], unless the State of New Jersey or such other
5 governmental entity or instrumentality is a "covered employer,"
as defined in R.S.43:21-27.

7 (E) Notwithstanding the above with respect to wages on or
8 after July 1, 1986, there shall be deposited in and credited to the
9 State Disability Benefits Fund 4/9 of all worker contributions
received by the controller upon which the rate of contribution is
11 1.125% and [4/5] all of the contributions received by the
controller upon which the rate of contribution is [0.625%] 1/2 of
13 1% of wages paid with respect to employment with the State of
New Jersey or any other governmental entity or instrumentality
15 electing or required to make payments in lieu of contributions
and which is covered by the State plan under the "Temporary
17 Disability Benefits Law."

(3) If an employee receives wages from more than one
19 employer during any calendar year, and either the sum of his
contributions deposited in and credited to the State Disability
21 Benefits Fund (in accordance with paragraph (2) of this
subsection) plus the amount of his contributions, if any, required
23 towards the costs of benefits under one or more approved private
plans under the provisions of section 9 of the "Temporary
25 Disability Benefits Law" (P.L.1948, c.110, C.43:21-33) and
deducted from his wages, or the sum of such latter contributions,
27 if the employee is covered during such calendar year only by two
or more private plans, exceeds an amount equal to 1/2 of 1% of
29 the "wages" determined in accordance with the provisions of
paragraph (3) of subsection (b) of R.S.43:21-7[(b) (3)] during the
31 calendar years beginning on or after January 1, 1976, the
employee shall be entitled to a refund of the excess if he makes a
33 claim to the controller within two years after the end of the
calendar year in which the wages are received with respect to
35 which the refund is claimed and establishes his right to such
refund. Such refund shall be made by the controller from the
37 State Disability Benefits Fund. No interest shall be allowed or
paid with respect to any such refund. The controller shall, in
39 accordance with prescribed regulations, determine the portion

1 of the aggregate amount of such refunds made during any
2 calendar year which is applicable to private plans for which
3 deductions were made under section 9 of the "Temporary
4 Disability Benefits Law," P.L.1948, c.110 (C.43:21-33) such
5 determination to be based upon the ratio of the amount of such
6 wages exempt from contributions to such fund, as provided in
7 subparagraph (B) of paragraph (1) of this subsection with respect
8 to coverage under private plans, to the total wages so exempt
9 plus the amount of such wages subject to contributions to the
10 disability benefits fund, as provided in subparagraph [(B)] (C) of
11 paragraph (2) of this subsection. The controller shall, in
12 accordance with prescribed regulations, prorate the amount so
13 determined among the applicable private plans in the proportion
14 that the wages covered by each plan bear to the total private
15 plan wages involved in such refunds, and shall assess against and
16 recover from the employer, or the insurer if the insurer has
17 indemnified the employer with respect thereto, the amount so
18 prorated. The provisions of R.S.43:21-14 with respect to
19 collection of employer contributions shall apply to such
20 assessments. The amount so recovered by the controller shall be
21 paid into the State Disability Benefits Fund.

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

37 (5) Every employer who has elected to become an employer
subject to this chapter (R.S.43:21-1 et seq.), or to cease to be an
38 employer subject to this chapter (R.S.43:21-1 et seq.), pursuant
39

1 to the provisions of [section] R.S.43:21-8 [of this Title], shall post
and maintain printed notices of such election on his premises, of
3 such design, in such numbers, and at such places as the director
may determine to be necessary to give notice thereof to persons
5 in his service.

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

9 (e) Contributions by employers to the State Disability Benefits
Fund.

11 (1) Except as hereinafter provided, each employer shall, in
addition to the contributions required by subsections (a), (b), and
13 (c) of this section, contribute 1/2 of 1% of the wages paid by such
employer to workers with respect to employment unless he is not
15 a covered employer as defined in subsection (a) of section 3 of
the "Temporary Disability Benefits Law" (P.L.1948, c.110,
17 C.43:21-27[(a)]), except that the rate for the State of New Jersey
shall be 1/10 of 1% for the calendar year 1980 and for the first
19 six months of 1981. Prior to July 1, 1981 and prior to July 1 each
year thereafter, the controller shall review the experience
21 accumulated in the account of the State of New Jersey and
establish a rate for the next following fiscal year which, in
23 combination with worker contributions, will produce sufficient
revenue to keep the account in balance; except that the rate so
25 established shall not be less than 1/10 of 1%. Such contributions
shall become due and be paid by the employer to the controller
27 for the State Disability Benefits Fund as established by law, in
accordance with such regulations as may be prescribed, and shall
29 not be deducted, in whole or in part, from the remuneration of
individuals in his employ. In the payment of any contributions, a
31 fractional part of a cent shall be disregarded unless it amounts to
\$0.005 or more, in which case it shall be increased to \$0.01.

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

(3) (A) The rates of contribution as specified in subparagraph
39 (1) above shall be subject to modifications as provided herein with

1 respect to employer contributions due on and after July 1, 1951.

3 (B) A separate disability benefits account shall be maintained
4 for each employer required to contribute to the State Disability
5 Benefits Fund and such account shall be credited with
6 contributions deposited in and credited to such fund with respect
7 to employment occurring on and after January 1, 1949. Each
8 employer's account shall be credited with all contributions paid
9 on or before January 31 of any calendar year on his own behalf
10 and on behalf of individuals in his service with respect to
11 employment occurring in preceding calendar years; provided,
12 however, that if January 31 of any calendar year falls on a
13 Saturday or Sunday an employer's account shall be credited as of
14 January 31 of such calendar year with all the contributions which
15 he has paid on or before the next succeeding day which is not a
16 Saturday or Sunday. But nothing in this act shall be construed to
17 grant any employer or individuals in his service prior claims or
18 rights to the amounts paid by him to the fund either on his own
19 behalf or on behalf of such individuals. Benefits paid to any
20 covered individual in accordance with Article III of the
21 "Temporary Disability Benefits Law" on or before December 31
22 of any calendar year with respect to disability in such calendar
23 year and in preceding calendar years shall be charged against the
24 account of the employer by whom such individual was employed
25 at the commencement of such disability or by whom he was last
employed, if out of employment.

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

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

36 (1) Such preliminary rate shall be 1/2 of 1% unless on the
37 preceding January 31 of such year such employer shall have been
38 a covered employer who has paid contributions to the State
39

1 Disability Benefits Fund with respect to employment in the three
calendar years immediately preceding such year.

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

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

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

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

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

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

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

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

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

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

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

39 (5) Determination of the preliminary rate as specified in
subparagraphs (2), (3) and (4) above shall be subject, however, to

1 the condition that it shall in no event be decreased by more than
2 1/10 of 1% of wages or increased by more than 2/10 of 1% of
3 wages from the preliminary rate determined for the preceding
4 year in accordance with subparagraph (1), (2), (3) or (4),
5 whichever shall have been applicable.

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

21 (2) The controller shall then make a final determination of the
22 rates of contribution for the 12 months commencing July 1 of
23 such year for employers whose preliminary rates are determined
24 as provided in paragraph (D) [hereof] of this subsection, as follows:

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

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

1 (iii) If the percentage determined in accordance with
2 subparagraph (1) of paragraph (E) [(1)] of this subsection is less
3 than $\frac{3}{4}$ of 1%, but in excess of $\frac{1}{4}$ of 1%, the final employer
4 rates shall be the preliminary employer rates determined as
5 provided in [(D) hereof] paragraph (D) of this subsection
6 increased by the difference between $\frac{3}{4}$ of 1% and such
7 percentage taken to the nearest $\frac{5}{100}$ of 1%; provided,
8 however, that no such final rate shall be more than $\frac{1}{4}$ of 1% in
9 the case of an employer whose preliminary rate is determined
10 as provided in [(D) (2) hereof] subparagraph (2) of paragraph (D)
11 of this subsection, more than $\frac{1}{2}$ of 1% in the case of an
12 employer whose preliminary rate is determined as provided in
13 [(D) (1) and (D) (3) hereof] subparagraphs (1) and (3) of
14 paragraph (D) of this subsection, nor more than $\frac{3}{4}$ of 1% in
15 the case of an employer whose preliminary rate is determined
16 as provided in [(D) (4) hereof] subparagraph (4) of paragraph (D)
17 of this subsection.

(iv) If the amount of the State Disability Benefits Fund
19 determined as provided in subparagraph (1) of paragraph (E)
20 [(1)] of this subsection is equal to or less than $\frac{1}{4}$ of 1%, then
21 the final rate shall be $\frac{2}{5}$ of 1% in the case of an employer
22 whose preliminary rate is determined as provided in [(D) (2)
23 hereof] subparagraph (2) of paragraph (D) of this subsection,
24 $\frac{7}{10}$ of 1% in the case of an employer whose preliminary rate
25 is determined as provided in [(D) (1) and (D) (3) hereof]
26 subparagraphs (1) and (3) of paragraph (D) of this subsection,
27 and 1.1% in the case of an employer whose preliminary rate is
28 determined as provided in [(D) (4) hereof] subparagraph (4) of
29 paragraph (D) of this subsection. Notwithstanding any other
30 provision of law or any determination made by the controller
31 with respect to any 12-month period commencing on July 1,
32 1970, to the final rates for all employers for the period
33 beginning January 1, 1971, shall be as set forth herein.¹

(cf: P.L.1984, c.24, s.5)]²

35 ²[13. Section 4 of P.L.1971, c.346 (C.43:21-7.3) is amended to
36 read as follows:

37 4. (a) Notwithstanding any other provisions of the
38 "unemployment compensation law" for the payment of
39 contributions, benefits paid to individuals based upon wages

1 earned in the employ of any governmental entity or
2 instrumentality which is an employer defined under paragraph (5)
3 of subsection (h) of R.S.43:21-19 [(h) (5)] shall, to the extent that
4 such benefits are chargeable to the account of such governmental
5 entity or instrumentality in accordance with the provisions of
6 R.S.43:21-1 et seq., be financed by payments in lieu of
7 contributions.

8 (b) Any governmental entity or instrumentality may, as an
9 alternative to financing benefits by payments in lieu of
10 contributions, elect to pay contributions beginning with the date
11 on which its subjectivity begins by filing written notice of its
12 election with the department no later than 120 days after such
13 subjectivity begins, provided that such election shall be effective
14 for at least two full calendar years; or it may elect to pay
15 contributions for a period of not less than two calendar years
16 beginning January 1 of any year if written notice of such election
17 is filed with the department not later than February 1 of such
18 year; provided, further, that such governmental entity or
19 instrumentality shall remain liable for payments in lieu of
20 contributions with respect to all benefits paid based on base year
21 wages earned in the employ of such entity or instrumentality in
22 the period during which it financed its benefits by payments in
23 lieu of contributions.

24 (c) Any governmental entity or instrumentality may terminate
25 its election to pay contributions as of January 1 of any year by
26 filing written notice not later than February 1 of any year with
27 respect to which termination is to become effective. It may not
28 revert to a contributions method of financing for at least two full
29 calendar years after such termination.

30 (d) Any governmental entity or instrumentality electing the
31 option for contributions financing shall report and pay
32 contributions in accordance with the provisions of R.S.43:21-7,
33 except that, notwithstanding the provisions of that section, the
34 contribution rate for such governmental entity or instrumentality
35 shall be 1% for the entire calendar year 1978 and the contribution
36 rate for any subsequent calendar years shall be the rate
37 established for governmental entities or instrumentalities under
38 subsection (e) of this section.

39 (e) On or before September 1 of each year, the Commissioner

1 of Labor shall review the composite benefit cost experience of all
2 governmental entities and instrumentalities electing to pay
3 contributions and, on the basis of that experience, establish the
4 contribution rate for the next following calendar year which can
5 be expected to yield sufficient revenue in combination with
6 worker contributions to equal or exceed the projected costs for
7 that calendar year.

8 (f) Any covered governmental entity or instrumentality
9 electing to pay contributions shall each year appropriate, out of
10 its general funds, moneys to pay the projected costs of benefits
11 at the rate determined under subsection (e) of this section. These
12 funds shall be held in a trust fund maintained by the
13 governmental entity for this purpose. Any surplus remaining in
14 this trust fund may be retained in reserve for payment of benefit
15 costs for subsequent years either by contributions or payments in
16 lieu of contributions.

17 (g) Any governmental entity or instrumentality electing to
18 finance benefit costs with payments in lieu of contributions shall
19 pay into the fund an amount equal to all benefit costs for which it
20 is liable pursuant to the provisions of the "unemployment
21 compensation law." Each subject governmental entity or
22 instrumentality shall require payments from its workers in the
23 same manner and amount as prescribed under subsection (d) of
24 R.S.43:21-7 [(d)] for governmental entities and instrumentalities
25 financing their benefit costs with contributions. No such
26 payment shall be used for a purpose other than to meet the
27 benefits liability of such governmental entity or instrumentality.
28 In addition, each subject governmental entity or instrumentality
29 shall appropriate out of its general funds sufficient moneys
30 which, in addition to any worker payments it requires, are
31 necessary to pay its annual benefit costs estimated on the basis
32 of its past benefit cost experience; provided that for its first year
33 of coverage, its benefit costs shall be deemed to require an
34 appropriation equal to 1% of the projected total of its taxable
35 wages for the year. These appropriated moneys and worker
36 payments shall be held in a trust fund maintained by the
37 governmental entity or instrumentality for this purpose. Any
38 surplus remaining in this trust fund shall be retained in reserve
39 for payment of benefit costs in subsequent years. If a

1 governmental entity or instrumentality requires its workers to
2 make payments as authorized herein, such workers shall not be
3 subject to the contributions required in subsection (d) of
4 R.S.43:21-7[(d)].

5 (h) [Notwithstanding the provisions of the above subsection (g),
6 commencing July 1, 1986 worker contributions to the
7 unemployment trust fund with respect to wages paid by any
8 governmental entity or instrumentality electing or required to
9 make payments in lieu of contributions, including the State of
10 New Jersey, shall be made in accordance with the provisions of
11 R.S.43:21-7(d) (1) (C) and, in addition, each governmental entity
12 or instrumentality electing or required to make payments in lieu
13 of contributions shall require payments from its workers at the
14 rate of 0.50% of wages paid, which amounts are to be held in the
15 trust fund maintained by the governmental entity or
16 instrumentality for payment of benefit costs.] (Deleted by
17 amendment, P.L. _____, c. _____) (now pending in the Legislature as
18 this bill.)¹

19 (cf: P.L.1984, c.24, s.17)]²

¹[2.] ²[4.1] ^{2.2} This act shall take effect immediately.

21

23

LABOR AND EMPLOYMENT
Unemployment Compensation

25

26 Allows unemployment compensation claimants to attend funerals
27 of immediate family members without harm to eligibility.

1

STATEMENT

3 This bill modifies the eligibility requirements for
unemployment compensation benefits to allow unemployed
5 individuals to attend the funeral of an immediate family member
for a period of no more than two days. Under current law, these
7 individuals are deemed to be unavailable for work and are
therefore denied unemployment compensation benefits. Under
9 the bill, an immediate family member means the individual's
father, mother, mother-in-law, father-in-law, grandmother,
11 grandfather, grandchild, spouse, child, foster child, sister or
brother and any relative of the unemployed individual residing in
13 the individual's household.

15

LABOR AND EMPLOYMENT

17

Unemployment Compensation

19 Allows unemployment compensation claimants to attend funerals
of immediate family members without harm to eligibility.

ASSEMBLY LABOR COMMITTEE

STATEMENT TO

[FIRST REPRINT]

SENATE, No. 3046

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 23, 1989

The Assembly Labor Committee reports favorably, with committee amendments, Senate Bill No. 3046 (1R).

As amended, this bill modifies the "availability for work" requirement of the "unemployment compensation law," R.S.43:21-1 et seq., to provide that an individual, who is a claimant and is otherwise eligible to receive unemployment benefits, may not be deemed unavailable for work or ineligible to receive benefits solely because of the claimant's attendance at the funeral of an immediate family member, provided that the claimant's attendance and unavailability for work does not extend beyond a two-day period. Under current law, these individuals are deemed to be unavailable for work and are, therefore, denied unemployment benefits. Under the bill, the term "immediate family member" means the individual's father, mother, mother-in-law, father-in-law, grandmother, grandfather, grandchild, spouse, child, foster child, sister or brother and any relative of the unemployed individual residing in the individual's household.

The committee amendments omit from the bill provisions related to employee contributions under the "unemployment compensation law." Pursuant to the unemployment compensation reform act, P.L.1984, c.24, the contribution for employees covered by the unemployment compensation system was increased, effective July 1, 1986, from 0.50% to 0.625% of taxable wages. The provisions which were omitted by the committee amendments provide that the amount of the increase in contributions for governmental employees, who are employed by governmental entities which finance their benefit costs by payments in lieu of contributions, shall be deposited in the trust funds maintained by the governmental entities for that purpose (and where the other portion of these employees' unemployment compensation contributions is currently deposited), instead of being deposited in the unemployment trust fund as provided for in the 1984 reform act.

SENATE LABOR, INDUSTRY AND PROFESSIONS COMMITTEE

STATEMENT TO

SENATE, No. 3046

with Senate committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 8, 1988

The Senate Labor, Industry and Professions Committee reports favorably and with committee amendments Senate, No. 3046.

This bill modifies the "availability for work" requirement under the unemployment compensation law by providing that an individual, who is a claimant and is otherwise eligible to receive benefits, may not be deemed unavailable for work or ineligible to receive benefits solely because of the claimant's attendance at the funeral of an immediate family member, provided that the claimant's attendance does not extend beyond a two-day period. Under the current law, these individuals are deemed to be unavailable for work and are therefore denied unemployment compensation benefits. Under the bill, an immediate family member means the individual's father, mother, mother-in-law, father-in-law, grandmother, grandfather, grandchild, spouse, child, foster child, sister or brother and any relative of the unemployed individual residing in the individual's household.

The committee amended the bill. Pursuant to the unemployment compensation reform act, P.L. 1984, c. 24, the contribution for employees covered by the unemployment compensation system was raised, effective July 1, 1986, from 0.50% to 0.625% of wages. The committee amendments provide that the amount of the increase in contributions for governmental employees, who are employed by governmental entities which finance their benefit costs by payments in lieu of contributions, shall be deposited in the trust funds maintained by the governmental entities for that purpose (and where the other portion of these employees' unemployment compensation contributions is currently deposited), instead of being deposited in the unemployment trust fund as provided for in the 1984 reform act.