#### 43:21-4

#### LEGISLATIVE HISTORY CHECKLIST

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**LAWS OF**: 2001 **CHAPTER**: 17

**NJSA:** 43:21-4 (Temporary disability and unemployment)

**BILL NO**: A2614

**SPONSOR(S):** Gregg and Thompson

**DATE INTRODUCED:** June 19, 2000

COMMITTEE: ASSEMBLY: Labor

**SENATE:** Commerce

**AMENDED DURING PASSAGE: Yes** 

**DATE OF PASSAGE:** ASSEMBLY: November 20, 2000

SENATE: December 18, 2000

**DATE OF APPROVAL:** January 29, 2001

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (1st reprint enacted)

(Amendments during passage denoted by superscript numbers)

SPONSORS STATEMENT: (Begins on p. 30 of original bill)

Yes

COMMITTEE STATEMENT: ASSEMBLY: Yes

SENATE: Yes

FLOOR AMENDMENT STATEMENTS: No

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# ASSEMBLY, No. 2614

## STATE OF NEW JERSEY

## 209th LEGISLATURE

INTRODUCED JUNE 19, 2000

**Sponsored by:** 

Assemblyman GUY R. GREGG
District 24 (Sussex, Hunterdon and Morris)
Assemblyman SAMUEL D. THOMPSON
District 13 (Middlesex and Monmouth)

#### **SYNOPSIS**

Modifies eligibility for temporary disability and unemployment benefits.

#### **CURRENT VERSION OF TEXT**

As introduced.



AN ACT concerning eligibility for unemployment compensation and temporary disability benefits and amending R.S.43:21-4, R.S.43:21-19 and P.L.1948, c.110.

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

- 1. R.S.43:21-4 is amended to read as follows:
- 43:21-4. Benefit eligibility conditions. An unemployed individual shall be eligible to receive benefits with respect to any week only if:
- (a) The individual has filed a claim at an unemployment insurance claims office and thereafter continues to report at an employment service office or unemployment insurance claims office, as directed by the division in accordance with such regulations as the division may prescribe, except that the division may, by regulation, waive or alter either or both of the requirements of this subsection as to individuals attached to regular jobs, and as to such other types of cases or situations with respect to which the division finds that compliance with such requirements would be oppressive, or would be inconsistent with the purpose of this act; provided that no such regulation shall conflict with subsection (a) of R.S.43:21-3.
- (b) The individual has made a claim for benefits in accordance with the provisions of subsection (a) of R.S.43:21-6.
- (c) (1) The individual is able to work, and is available for work, and has demonstrated to be actively seeking work, except as hereinafter provided in this subsection or in subsection (f) of this section.
- (2) The director may modify the requirement of actively seeking work if such modification of this requirement is warranted by economic conditions.
- (3) No individual, who is otherwise eligible, shall be deemed ineligible, or unavailable for work, because the individual is on vacation, without pay, during said week, if said vacation is not the result of the individual's own action as distinguished from any collective action of a collective bargaining agent or other action beyond the individual's control.
- (4) (A) Subject to such limitations and conditions as the division may prescribe, an individual, who is otherwise eligible, shall not be deemed unavailable for work or ineligible because the individual is attending a training program approved for the individual by the division to enhance the individual's employment opportunities or because the individual failed or refused to accept work while attending such program.
- 43 (B) For the purpose of this paragraph (4), any training program

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

shall be regarded as approved by the division for the individual if the program and the individual meet the following requirements:

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- (i) The training is for a labor demand occupation and is likely to enhance the individual's marketable skills and earning power;
- 5 (ii) The training is provided by a competent and reliable private or 6 public entity approved by the Commissioner of Labor pursuant to the 7 provisions of section 8 of the "1992 New Jersey Employment and 8 Workforce Development Act," P.L.1992, c.43 (C.34:15D-8);
  - (iii) The individual can reasonably be expected to complete the program, either during or after the period of benefits;
- (iv) The training does not include on the job training or other training under which the individual is paid by an employer for work performed by the individual during the time that the individual receives benefits; and
  - (v) The individual enrolls in vocational training, remedial education or a combination of both on a full-time basis.
  - (C) If the requirements of subparagraph (B) of this paragraph (4) are met, the division shall not withhold approval of the training program for the individual for any of the following reasons:
  - (i) The training includes remedial basic skills education necessary for the individual to successfully complete the vocational component of the training;
  - (ii) The training is provided in connection with a program under which the individual may obtain a college degree, including a post-graduate degree;
    - (iii) The length of the training period under the program; or
  - (iv) The lack of a prior guarantee of employment upon completion of the training.
  - (D) For the purpose of this paragraph (4), "labor demand occupation" means an occupation for which there is or is likely to be an excess of demand over supply for adequately trained workers, including, but not limited to, an occupation designated as a labor demand occupation by the New Jersey Occupational Information Coordinating Committee pursuant to the provisions of subsection h. of section 1 of P.L.1987, c.457 (C.34:1A-76) or section 12 of P.L.1992, c.43 (C.34:1A-78).
- 37 (5) An unemployed individual, who is otherwise eligible, shall not 38 be deemed unavailable for work or ineligible solely by reason of the 39 individual's attendance before a court in response to a summons for 40 service on a jury.
- 41 (6) An unemployed individual, who is otherwise eligible, shall not 42 be deemed unavailable for work or ineligible solely by reason of the 43 individual's attendance at the funeral of an immediate family member, 44 provided that the duration of the attendance does not extend beyond 45 a two-day period.
- For purposes of this paragraph, "immediate family member"

includes any of the following individuals: father, mother, mother-in-law, father-in-law, grandmother, grandfather, grandchild, spouse, child, foster child, sister or brother of the unemployed individual and any relatives of the unemployed individual residing in the unemployed individual's household.

- (7) No individual, who is otherwise eligible, shall be deemed ineligible or unavailable for work with respect to any week because, during that week, the individual fails or refuses to accept work while the individual is participating on a full-time basis in self-employment assistance activities authorized by the division, whether or not the individual is receiving a self-employment allowance during that week.
- (8) Any individual who is determined to be likely to exhaust regular benefits and need reemployment services based on information obtained by the worker profiling system shall not be eligible to receive benefits if the individual fails to participate in available reemployment services to which the individual is referred by the division or in similar services, unless the division determines that:
  - (A) The individual has completed the reemployment services; or
- (B) There is justifiable cause for the failure to participate, which shall include participation in employment and training, self-employment assistance activities or other activities authorized by the division to assist reemployment or enhance the marketable skills and earning power of the individual and which shall include any other circumstance indicated pursuant to this section in which an individual is not required to be available for and actively seeking work to receive benefits.
- (d) The individual has been totally or partially unemployed for a waiting period of one week in the benefit year which includes that week. When benefits become payable with respect to the third consecutive week next following the waiting period, the individual shall be eligible to receive benefits as appropriate with respect to the waiting period. No week shall be counted as a week of unemployment for the purposes of this subsection:
- (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 period as provided in this subsection;
- 38 (2) If it has constituted a waiting period week under the 39 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et 40 seq.);
- 41 (3) Unless the individual fulfills the requirements of subsections (a) 42 and (c) of this section;
- 43 (4) If with respect thereto, claimant was disqualified for benefits 44 in accordance with the provisions of subsection (d) of R.S.43:21-5.
- (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 weeks as

- defined in subsection (t) of R.S.43:21-19, or, in those instances in
- 2 which the individual has not established 20 base weeks, except as
- 3 otherwise provided in paragraph (3) of this subsection, for benefit
- 4 years commencing on or after October 1, 1984 and before January 1,
- 5 1996, the individual has earned 12 times the Statewide average weekly
- 6 remuneration paid to workers, as determined under R.S.43:21-3(c),
- 7 raised to the next higher multiple of \$100.00 if not already a multiple
- 8 thereof, or more in the individual's base year.] (Deleted by
- 9 amendment, P.L., c.)
- 10 (2) With respect to benefit years commencing on or after January 1, 1996 and before January 7, 2001, except as otherwise provided in paragraph (3) of this subsection, the individual has, during his base
- year as defined in subsection (c) of R.S.43:21-19:
  - (A) Established at least 20 base weeks as defined in paragraph (2)
- 15 of subsection (t) of R.S.43:21-19; or
- 16 (B) If the individual has not met the requirements of subparagraph
- 17 (A) of this paragraph (2), earned remuneration not less than an amount
- 18 12 times the Statewide average weekly remuneration paid to workers,
- as determined under R.S.43:21-3(c), which amount shall be adjusted
- 20 to the next higher multiple of \$100.00 if not already a multiple thereof;
- 21 or

- (C) If the individual has not met the requirements of subparagraph
- 23 (A) or (B) of this paragraph (2), earned remuneration not less than an
- 24 amount 1,000 times the minimum wage in effect pursuant to section
- 25 5 of P.L.1966, c.113 (C.34:11-56a4) on October 1 of the calendar
- year preceding the calendar year in which the benefit year commences,
- 27 which amount shall be adjusted to the next higher multiple of \$100.00
- 28 if not already a multiple thereof.
- 29 (3) [Notwithstanding] With respect to benefit years commencing
- 30 <u>before January 7, 2001, notwithstanding</u> the provisions of paragraph
- 31 [(1) or paragraph] (2) of this subsection, an unemployed individual
- 32 claiming benefits on the basis of service performed in the production
- and harvesting of agricultural crops shall, subject to the limitations of
- subsection (i) of R.S.43:21-19, be eligible to receive benefits if during
- 35 his base year, as defined in subsection (c) of R.S.43:21-19, the
- 36 individual:
- 37 (A) Has established at least 20 base weeks as defined in paragraph
- 38 [(1)](2) of subsection (t) of R.S.43:21-19; or
- 39 (B) Has earned 12 times the Statewide average weekly
- 40 remuneration paid to workers, as determined under R.S.43:21-3(c),
- 41 raised to the next higher multiple of \$100.00 if not already a multiple
- 42 thereof, or more; or
- 43 (C) Has performed at least 770 hours of service in the production
- 44 and harvesting of agricultural crops.
- 45 (4) With respect to benefit years commencing on or after January
- 46 7, 2001, except as otherwise provided in paragraph (5) of this

- subsection, the individual has, during his base year as defined in
   subsection (c) of R.S.43:21-19:
- 3 (A) Established at least 20 base weeks as defined in paragraph (3) of subsection (t) of R.S.43:21-19; or
- 5 (B) If the individual has not met the requirements of subparagraph
- 6 (A) of this paragraph (4), earned remuneration not less than an amount
- 7 <u>1,000 times the minimum wage in effect pursuant to section 5 of</u>
- 8 <u>P.L.1966, c.113 (C.34:11-56a4) on October 1 of the calendar year</u>
- 9 preceding the calendar year in which the benefit year commences,
- which amount shall be adjusted to the next higher multiple of \$100 if
- 11 <u>not already a multiple thereof.</u>
- 12 (5) With respect to benefit years commencing on or after January
- 13 7, 2001, notwithstanding the provisions of paragraph (4) of this
- subsection, an unemployed individual claiming benefits on the basis of
- 15 <u>service performed in the production and harvesting of agricultural</u>
- 16 crops shall, subject to the limitations of subsection (i) of R.S.43:21-19,
- 17 <u>be eligible to receive benefits if during his base year, as defined in</u>
- subsection (c) of R.S.43:21-19, the individual:
- 19 (A) Has established at least 20 base weeks as defined in paragraph
- 20 (3) of subsection (t) of R.S.43:21-19; or
- 21 (B) Has earned remuneration not less than an amount 1,000 times
- 22 <u>the minimum wage in effect pursuant to section 5 of P.L.1966, c.113</u>
- 23 (C.34:11-56a4) on October 1 of the calendar year preceding the
- 24 <u>calendar year in which the benefit year commences, which amount</u>
- 25 shall be adjusted to the next higher multiple of \$100 if not already a
- 26 <u>multiple thereof; or</u>
- 27 (C) Has performed at least 770 hours of service in the production
- 28 and harvesting of agricultural crops.
- 29 (6) The individual applying for benefits in any successive benefit 30 year has earned at least six times his previous weekly benefit amount
- and has had four weeks of employment since the beginning of the
- 32 immediately preceding benefit year. This provision shall be in addition
- 33 to the earnings requirements specified in paragraph [(1),] (2), [or]
- 34 (3), (4) or (5) of this subsection, as applicable.
- 35 (f) (1) The individual has suffered any accident or sickness not
- 36 compensable under the workers' compensation law, R.S.34:15-1 et
- seq. and resulting in the individual's total disability to perform any
- work for remuneration, and would be eligible to receive benefits under
- 39 this chapter (R.S.43:21-1 et seq.) (without regard to the maximum
- 40 amount of benefits payable during any benefit year) except for the
- 41 inability to work and has furnished notice and proof of claim to the
- division, in accordance with its rules and regulations, and payment is not precluded by the provisions of R.S.43:21-3(d); provided, however,
- 44 that benefits paid under this subsection (f) shall be computed on the
- 45 basis of only those base year wages earned by the claimant as a
- 46 "covered individual," as defined in R.S.43:21-27(b); provided further

1 that no benefits shall be payable under this subsection to any 2 individual:

- 3 (A) For any period during which such individual is not under the 4 care of a legally licensed physician, dentist, optometrist, podiatrist, practicing psychologist or chiropractor;
  - (B) (Deleted by amendment, P.L.1980, c.90.)

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- (C) 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 crime of the first, second or third degree;
- (D) For any week with respect to which or a part of which the individual has received or is seeking benefits under any unemployment compensation or disability benefits law of any other state or of the United States; provided that if the appropriate agency of such other state or the United States finally determines that the individual is not entitled to such benefits, this disqualification shall not apply;
- (E) For any week with respect to which or part of which the 16 individual has received or is seeking disability benefits under the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.);
- 20 (F) For any period of disability commencing while such individual 21 is a "covered individual," as defined in subsection (b) of section 3 of 22 the "Temporary Disability Benefits Law," P.L.1948, c.110 23 (C.43:21-27).
  - (2) Benefit payments under this subsection (f) shall be charged to and paid from the State disability benefits fund established by the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.), and shall not be charged to any employer account in computing any employer's experience rate for contributions payable under this chapter.
  - (g) Benefits based on service in employment defined in subparagraphs (B) and (C) of R.S.43:21-19(i)(1) shall be payable in the same amount and on the terms and subject to the same conditions as benefits payable on the basis of other service subject to the "unemployment compensation law"; except that, notwithstanding any other provisions of the "unemployment compensation law":
- (1) With respect to service performed after December 31, 1977, in 36 37 an instructional research, or principal administrative capacity for an 38 educational institution, benefits shall not be paid based on such 39 services for any week of unemployment commencing during the period 40 between two successive academic years, or during a similar period 41 between two regular terms, whether or not successive, or during a 42 period of paid sabbatical leave provided for in the individual's contract, 43 to any individual if such individual performs such services in the first 44 of such academic years (or terms) and if there is a contract or a 45 reasonable assurance that such individual will perform services in any such capacity for any educational institution in the second of such 46

1 academic years or terms;

- (2) With respect to weeks of unemployment beginning after September 3, 1982, on the basis of service performed in any other capacity for an educational institution, benefits shall not be paid on the basis of such services to any individual for any week which commences during a period between two successive academic years or terms if such individual performs such services in the first of such academic years or terms and there is a reasonable assurance that such individual will perform such services in the second of such academic years or terms, except that if benefits are denied to any individual under this paragraph (2) and the individual was not offered an opportunity to perform these services for the educational institution for the second of any academic years or terms, the individual shall be entitled to a retroactive payment of benefits for each week for which the individual filed a timely claim for benefits and for which benefits were denied solely by reason of this clause;
  - (3) With respect to those services described in paragraphs (1) and (2) above, benefits shall not be paid on the basis of such services to any individual for any week which commences during an established and customary vacation period or holiday recess if such individual performs such services in the period immediately before such vacation period or holiday recess, and there is a reasonable assurance that such individual will perform such services in the period immediately following such period or holiday recess;
  - (4) With respect to any services described in paragraphs (1) and (2) above, benefits shall not be paid as specified in paragraphs (1), (2), and (3) above to any individual who performed those services in an educational institution while in the employ of an educational service agency, and for this purpose the term "educational service agency" means a governmental agency or governmental entity which is established and operated exclusively for the purpose of providing those services to one or more educational institutions.
  - (h) Benefits shall not be paid to any individual on the basis of any services, substantially all of which consist of participating in sports or athletic events or training or preparing to so participate, for any week which commences during the period between two successive sports seasons (or similar periods) if such individual performed such services in the first of such seasons (or similar periods) and there is a reasonable assurance that such individual will perform such services in the later of such seasons (or similar periods).
  - (i) (1) Benefits shall not be paid on the basis of services performed by an alien unless such alien is an individual who was lawfully admitted for permanent residence at the time the services were performed and was lawfully present for the purpose of performing the services or otherwise was permanently residing in the United States under color of law at the time the services were performed (including an alien who

- 1 is lawfully present in the United States as a result of the application of
- 2 the provisions of [section 203(a)(7) (8 U.S.C. 1153 (a)(7)) or ] section
- 3 212(d)(5) (8 U.S.C. s.1182 (d)(5)) of the Immigration and Nationality
- 4 Act (8 U.S.C. s.1101 et seq.)); provided that any modifications of the
- 5 provisions of section 3304(a)(14) of the Federal Unemployment Tax
- 6 Act (26 U.S.C. s.3304 (a)(14)), as provided by Pub.L.94-566, which
- 7 specify other conditions or other effective dates than stated herein for
- 8 the denial of benefits based on services performed by aliens and which
- 9 modifications are required to be implemented under State law as a
- 10 condition for full tax credit against the tax imposed by the Federal
- 11 Unemployment Tax Act, shall be deemed applicable under the
- 12 provisions of this section.
  - (2) Any data or information required of individuals applying for benefits to determine whether benefits are not payable to them because of their alien status shall be uniformly required from all applicants for benefits.
  - (3) In the case of an individual whose application for benefits would otherwise be approved, no determination that benefits to such individual are not payable because of alien status shall be made except upon a preponderance of the evidence.
  - (j) Notwithstanding any other provision of this chapter, the director may, to the extent that it may be deemed efficient and economical, provide for consolidated administration by one or more representatives or deputies of claims made pursuant to subsection (f) of this section with those made pursuant to Article III (State plan) of the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.).
- 28 (cf: P.L.1995, c.394, s.7)

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- 2. R.S.43:21-19 is amended to read as follows:
- 31 43:21-19. Definitions. As used in this chapter (R.S.43:21-1 et seq.), unless the context clearly requires otherwise:
- 33 (a) (1) "Annual payroll" means the total amount of wages paid 34 during a calendar year (regardless of when earned) by an employer for 35 employment.
- (2) "Average annual payroll" means the average of the annual 36 37 payrolls of any employer for the last three or five preceding calendar 38 years, whichever average is higher, except that any year or years 39 throughout which an employer has had no "annual payroll" because of 40 military service shall be deleted from the reckoning; the "average 41 annual payroll" in such case is to be determined on the basis of the 42 prior three or five calendar years in each of which the employer had an 43 "annual payroll" in the operation of his business, if the employer 44 resumes his business within 12 months after separation, discharge or 45 release from such service, under conditions other than dishonorable, and makes application to have his "average annual payroll" determined 46

- 1 on the basis of such deletion within 12 months after he resumes his
- 2 business; provided, however, that "average annual payroll" solely for
- 3 the purposes of paragraph (3) of subsection (e) of R.S.43:21-7 means
- 4 the average of the annual payrolls of any employer on which he paid
- contributions to the State disability benefits fund for the last three or 5
- 6 five preceding calendar years, whichever average is higher; provided
- further that only those wages be included on which employer 7
- 8 contributions have been paid on or before January 31 (or the next
- 9 succeeding day if such January 31 is a Saturday or Sunday)
- immediately preceding the beginning of the 12-month period for which 10
- 11 the employer's contribution rate is computed.
- 12 (b) "Benefits" means the money payments payable to an individual, as provided in this chapter (R.S.43:21-1 et seq.), with respect to his unemployment.
  - (c) (1) "Base year" with respect to benefit years commencing on or after July 1, 1986, shall mean the first four of the last five completed calendar quarters immediately preceding an individual's benefit year.
- 18 With respect to a benefit year commencing on or after July 1, 1995, 19 if an individual does not have sufficient qualifying weeks or wages in
- 20 his base year to qualify for benefits, the individual shall have the option
- 21 of designating that his base year shall be the "alternative base year,"
- 22 which means the last four completed calendar quarters immediately
- 23 preceding the individual's benefit year; except that, with respect to a
- benefit year commencing on or after October 1, 1995, if the individual 24
- 25 also does not have sufficient qualifying weeks or wages in the last four
- 26 completed calendar quarters immediately preceding his benefit year to
- 27 qualify for benefits, "alternative base year" means the last three
- completed calendar quarters immediately preceding his benefit year 29
- and, of the calendar quarter in which the benefit year commences, the
- 30 portion of the quarter which occurs before the commencing of the
- 31 benefit year.

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- 32 The division shall inform the individual of his options under this
- section as amended by P.L.1995, c.234. If information regarding 33
- 34 weeks and wages for the calendar quarter or quarters immediately
- preceding the benefit year is not available to the division from the 35
- 36 regular quarterly reports of wage information and the division is not
- 37 able to obtain the information using other means pursuant to State or 38
- federal law, the division may base the determination of eligibility for 39 benefits on the affidavit of an individual with respect to weeks and
- 40 wages for that calendar quarter. The individual shall furnish payroll
- 41 documentation, if available, in support of the affidavit.
- 42 determination of benefits based on an alternative base year shall be
- 43 adjusted when the quarterly report of wage information from the
- 44 employer is received if that information causes a change in the
- 45 determination.
- 46 (2) With respect to a benefit year commencing on or after June 1,

1 1990 for an individual who immediately preceding the benefit year was 2 subject to a disability compensable under the provisions of the 3 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et 4 seq.), "base year" shall mean the first four of the last five completed calendar quarters immediately preceding the individual's period of 5 6 disability, if the employment held by the individual immediately 7 preceding the period of disability is no longer available at the 8 conclusion of that period and the individual files a valid claim for 9 unemployment benefits after the conclusion of that period. For the 10 purposes of this paragraph, "period of disability" means the period defined as a period of disability by section 3 of the "Temporary 11 12 Disability Benefits Law," P.L. 1948, c. 110 (C. 43:21-27). An individual 13 who files a claim under the provisions of this paragraph (2) shall not 14 be regarded as having left work voluntarily for the purposes of 15 subsection (a) of R.S.43:21-5.

16 (3) With respect to a benefit year commencing on or after June 1, 1990 for an individual who immediately preceding the benefit year was subject to a disability compensable under the provisions of the workers' compensation law (chapter 15 of Title 34 of the Revised Statutes), "base year" shall mean the first four of the last five completed calendar quarters immediately preceding the individual's period of disability, if the period of disability was not longer than two years, if the employment held by the individual immediately preceding the period of disability is no longer available at the conclusion of that period and if the individual files a valid claim for unemployment benefits after the conclusion of that period. For the purposes of this paragraph, "period of disability" means the period from the time at which the individual becomes unable to work because of the compensable disability until the time that the individual becomes able to resume work and continue work on a permanent basis. An individual who files a claim under the provisions of this paragraph (3) shall not be regarded as having left work voluntarily for the purposes of subsection (a) of R.S.43:21-5.

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- 34 (d) "Benefit year" with respect to any individual means the 364 35 consecutive calendar days beginning with the day on, or as of, which he first files a valid claim for benefits, and thereafter beginning with 36 37 the day on, or as of, which the individual next files a valid claim for 38 benefits after the termination of his last preceding benefit year. Any 39 claim for benefits made in accordance with subsection (a) of 40 R.S.43:21-6 shall be deemed to be a "valid claim" for the purpose of 41 this subsection if (1) he is unemployed for the week in which, or as of 42 which, he files a claim for benefits; and (2) he has fulfilled the 43 conditions imposed by subsection (e) of R.S.43:21-4.
- 44 (e) (1) "Division" means the Division of Unemployment and 45 Temporary Disability Insurance of the Department of Labor, and any transaction or exercise of authority by the director of the division 46

- thereunder, or under this chapter (R.S.43:21-1 et seq.), shall be deemed to be performed by the division.
- (2) "Controller" means the Office of the Assistant Commissioner
   for Finance and Controller of the Department of Labor, established by
   the 1982 Reorganization Plan of the Department of Labor.
- 6 (f) "Contributions" means the money payments to the State Unemployment Compensation Fund, required by R.S.43:21-7. 8 "Payments in lieu of contributions" means the money payments to the State Unemployment Compensation Fund by employers electing or required to make payments in lieu of contributions, as provided in section 3 or section 4 of P.L.1971, c.346 (C.43:21-7.2 or 43:21-7.3).
- 12 (g) "Employing unit" means the State or any of its instrumentalities 13 or any political subdivision thereof or any of its instrumentalities or 14 any instrumentality of more than one of the foregoing or any 15 instrumentality of any of the foregoing and one or more other states or political subdivisions or any individual or type of organization, any 16 17 partnership, association, trust, estate, joint-stock company, insurance 18 company or corporation, whether domestic or foreign, or the receiver, 19 trustee in bankruptcy, trustee or successor thereof, or the legal 20 representative of a deceased person, which has or subsequent to 21 January 1, 1936, had in its employ one or more individuals performing 22 services for it within this State. All individuals performing services 23 within this State for any employing unit which maintains two or more separate establishments within this State shall be deemed to be 24 25 employed by a single employing unit for all the purposes of this 26 chapter (R.S.43:21-1 et seq.). Each individual employed to perform 27 or to assist in performing the work of any agent or employee of an 28 employing unit shall be deemed to be employed by such employing unit 29 for all the purposes of this chapter (R.S.43:21-1 et seq.), whether such 30 individual was hired or paid directly by such employing unit or by such 31 agent or employee; provided the employing unit had actual or 32 constructive knowledge of the work.
  - (h) "Employer" means:

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- (1) Any employing unit which in either the current or the preceding calendar year paid remuneration for employment in the amount of \$1,000.00 or more;
- 37 (2) Any employing unit (whether or not an employing unit at the 38 time of acquisition) which acquired the organization, trade or business, 39 or substantially all the assets thereof, of another which, at the time of 40 such acquisition, was an employer subject to this chapter (R.S.43:21-1 41 et seq.);
  - (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;
- 46 (4) Any employing unit which together with one or more other

- 1 employing units is owned or controlled (by legally enforceable means
- 2 or otherwise), directly or indirectly by the same interests, or which
- 3 owns or controls one or more other employing units (by legally
- 4 enforceable means or otherwise), and which, if treated as a single unit
- 5 with such other employing unit or interest, would be an employer
- 6 under paragraph (1) of this subsection;
- 7 (5) Any employing unit for which service in employment as defined
- 8 in R.S.43:21-19 (i) (1) (B) (i) is performed after December 31, 1971;
- 9 and as defined in R.S.43:21-19 (i) (1) (B) (ii) is performed after
- 10 December 31, 1977;
- 11 (6) Any employing unit for which service in employment as defined
- 12 in R.S.43:21-19 (i) (1) (C) is performed after December 31, 1971 and
- 13 which in either the current or the preceding calendar year paid
- remuneration for employment in the amount of \$1,000.00 or more;
- 15 (7) Any employing unit not an employer by reason of any other
- 16 paragraph of this subsection (h) for which, within either the current or
- 17 preceding calendar year, service is or was performed with respect to
- 18 which such employing unit is liable for any federal tax against which
- 19 credit may be taken for contributions required to be paid into a state
- 20 unemployment fund; or which, as a condition for approval of the
- 21 "unemployment compensation law" for full tax credit against the tax
- 22 imposed by the Federal Unemployment Tax Act, is required pursuant
- 23 to such act to be an employer under this chapter (R.S.43:21-1 et seq.);
  - (8) (Deleted by amendment; P.L.1977, c.307.)
- 25 (9) (Deleted by amendment; P.L.1977, c.307.)
- 26 (10) (Deleted by amendment; P.L.1977, c.307.)
- 27 (11) Any employing unit subject to the provisions of the Federal
- 28 Unemployment Tax Act within either the current or the preceding
- 29 calendar year, except for employment hereinafter excluded under
- 30 paragraph (7) of subsection (i) of this section;
- 31 (12) Any employing unit for which agricultural labor in
- 32 employment as defined in R.S.43:21-19 (i) (1) (I) is performed after
- 33 December 31, 1977;
- 34 (13) Any employing unit for which domestic service in employment
- as defined in R.S.43:21-19 (i) (1) (J) is performed after December 31,
- 36 1977;

- 37 (14) Any employing unit which having become an employer under
- 38 the "unemployment compensation law" (R.S.43:21-1 et seq.), has not
- 39 under R.S.43:21-8 ceased to be an employer; or for the effective
- 40 period of its election pursuant to R.S.43:21-8, any other employing
- 41 unit which has elected to become fully subject to this chapter
- 42 (R.S.43:21-1 et seq.).
- 43 (i) (1) "Employment" means:
- 44 (A) Any service performed prior to January 1, 1972, which was
- 45 employment as defined in the "unemployment compensation law"
- 46 (R.S.43:21-1 et seq.) prior to such date, and, subject to the other

- 1 provisions of this subsection, service performed on or after January 1,
- 2 1972, including service in interstate commerce, performed for
- 3 remuneration or under any contract of hire, written or oral, express or
- 4 implied.
- 5 (B) (i) Service performed after December 31, 1971 by an individual
- 6 in the employ of this State or any of its instrumentalities or in the
- 7 employ of this State and one or more other states or their
- 8 instrumentalities for a hospital or institution of higher education
- 9 located in this State, if such service is not excluded from
- 10 "employment" under paragraph (D) below.
- 11 (ii) Service performed after December 31, 1977, in the employ of
- 12 this State or any of its instrumentalities or any political subdivision
- 13 thereof or any of its instrumentalities or any instrumentality of more
- 14 than one of the foregoing or any instrumentality of the foregoing and
- one or more other states or political subdivisions, if such service is not
- 16 excluded from "employment" under paragraph (D) below.
- 17 (C) Service performed after December 31, 1971 by an individual in
- the employ of a religious, charitable, educational, or other organization, which is excluded from "employment" as defined in the
- Federal Unemployment Tax Act, solely by reason of section 3306 (c)
- 21 (8) of that act, if such service is not excluded from "employment"
- 22 under paragraph (D) below.
- 23 (D) For the purposes of paragraphs (B) and (C), the term
- 24 "employment" does not apply to services performed
- 25 (i) In the employ of (I) a church or convention or association of
- 26 churches, or (II) an organization, or school which is operated primarily
- 27 for religious purposes and which is operated, supervised, controlled or
- 28 principally supported by a church or convention or association of
- 29 churches;
- 30 (ii) By a duly ordained, commissioned, or licensed minister of a
- 31 church in the exercise of his ministry or by a member of a religious
- 32 order in the exercise of duties required by such order;
- 33 (iii) Prior to January 1, 1978, in the employ of a school which is
- 34 not an institution of higher education, and after December 31, 1977,
- in the employ of a governmental entity referred to in R.S.43:21-19 (i)
- 36 (1) (B), if such service is performed by an individual in the exercise of
- 37 duties
- 38 (aa) as an elected official;
- 39 (bb) as a member of a legislative body, or a member of the 40 judiciary, of a state or political subdivision;
- 41 (cc) as a member of the State National Guard or Air National
- 42 Guard;
- (dd) as an employee serving on a temporary basis in case of fire,
- storm, snow, earthquake, flood or similar emergency;
- (ee) in a position which, under or pursuant to the laws of this
- 46 State, is designated as a major nontenured policy making or advisory

position, or a policy making or advisory position, the performance of the duties of which ordinarily does not require more than eight hours per week; or

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- (iv) By an individual receiving rehabilitation or remunerative work in a facility conducted for the purpose of carrying out a program of rehabilitation of individuals whose earning capacity is impaired by age or physical or mental deficiency or injury or providing remunerative work for individuals who because of their impaired physical or mental capacity cannot be readily absorbed in the competitive labor market;
  - (v) By an individual receiving work-relief or work-training as part of an unemployment work-relief or work-training program assisted in whole or in part by any federal agency or an agency of a state or political subdivision thereof; or
  - (vi) Prior to January 1, 1978, for a hospital in a State prison or other State correctional institution by an inmate of the prison or correctional institution and after December 31, 1977, by an inmate of a custodial or penal institution.
- (E) The term "employment" shall include the services of an 18 individual who is a citizen of the United States, performed outside the 19 20 United States after December 31, 1971 (except in Canada and in the 21 case of the Virgin Islands, after December 31, 1971) and prior to 22 January 1 of the year following the year in which the U.S. Secretary 23 of Labor approves the unemployment compensation law of the Virgin 24 Islands, under section 3304 (a) of the Internal Revenue Code of 1986 25 (26 U.S.C. s.3304 (a)) in the employ of an American employer (other 26 than the service which is deemed employment under the provisions of 27 R.S.43:21-19 (i) (2) or (5) [of ] or the parallel provisions of another 28 state's unemployment compensation law), if
- 29 (i) The American employer's principal place of business in the 30 United States is located in this State; or
  - (ii) The American employer has no place of business in the United States, but (I) the American employer is an individual who is a resident of this State; or (II) the American employer is a corporation which is organized under the laws of this State; or (III) the American employer is a partnership or trust and the number of partners or trustees who are residents of this State is greater than the number who are residents of another state; or
- (iii) None of the criteria of divisions (i) and (ii) of this subparagraph
  (E) is met but the American employer has elected to become an
  employer subject to the "unemployment compensation law"
  (R.S.43:21-1 et seq.) in this State, or the American employer having
  failed to elect to become an employer in any state, the individual has
  filed a claim for benefits, based on such service, under the law of this
  State;
- 45 (iv) An "American employer," for the purposes of this subparagraph 46 (E), means (I) an individual who is a resident of the United States; or

- 1 (II) a partnership, if two-thirds or more of the partners are residents 2 of the United States; or (III) a trust, if all the trustees are residents of 3 the United States; or (IV) a corporation organized under the laws of
- 4 the United States or of any state.

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- 5 (F) Notwithstanding R.S.43:21-19 (i) (2), all service performed after January 1, 1972 by an officer or member of the crew of an American vessel or American aircraft on or in connection with such vessel or aircraft, if the operating office from which the operations of such vessel or aircraft operating within, or within and without, the United States are ordinarily and regularly supervised, managed, directed, and controlled, is within this State.
  - (G) Notwithstanding any other provision of this subsection, service in this State with respect to which the taxes required to be paid under any federal law imposing a tax against which credit may be taken for contributions required to be paid into a state unemployment fund or which as a condition for full tax credit against the tax imposed by the Federal Unemployment Tax Act is required to be covered under the "unemployment compensation law" (R.S.43:21-1 et seq.).
- 19 (H) The term "United States" when used in a geographical sense in 20 subsection R.S.43:21-19 (i) includes the states, the District of 21 Columbia, the Commonwealth of Puerto Rico and, effective on the day 22 after the day on which the U.S. Secretary of Labor approves for the 23 first time under section 3304 (a) of the Internal Revenue Code of 1986 24 (26 U.S.C. s.3304 (a)) an unemployment compensation law submitted 25 to the Secretary by the Virgin Islands for such approval, the Virgin 26 Islands.
  - (I) (i) Service performed after December 31, 1977 in agricultural labor in a calendar year for an entity which is an employer as defined in the "unemployment compensation law," (R.S.43:21-1 et seq.) as of January 1 of such year; or for an employing unit which
  - (aa) during any calendar quarter in either the current or the preceding calendar year paid remuneration in cash of \$20,000.00 or more for individuals employed in agricultural labor, or
  - (bb) for some portion of a day in each of 20 different calendar weeks, whether or not such weeks were consecutive, in either the current or the preceding calendar year, employed in agricultural labor 10 or more individuals, regardless of whether they were employed at the same moment in time.
  - (ii) for the purposes of this subsection any individual who is a member of a crew furnished by a crew leader to perform service in agricultural labor for any other entity shall be treated as an employee of such crew leader
- (aa) if such crew leader holds a certification of registration under the Migrant and Seasonal Agricultural Worker Protection Act, Pub.L.97-470 (29 U.S.C. s.1801 et seq.), or P.L.1971, c.192 (C.34:8A-7 et seq.); or substantially all the members of such crew

- 1 operate or maintain tractors, mechanized harvesting or cropdusting 2 equipment, or any other mechanized equipment, which is provided by 3 such crew leader; and
- 4 (bb) if such individual is not an employee of such other person for whom services were performed.

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- 6 (iii) For the purposes of subparagraph (I) (i) in the case of any individual who is furnished by a crew leader to perform service in 7 8 agricultural labor or any other entity and who is not treated as an 9 employee of such crew leader under (I) (ii)
  - (aa) such other entity and not the crew leader shall be treated as the employer of such individual; and
  - (bb) such other entity shall be treated as having paid cash remuneration to such individual in an amount equal to the amount of cash remuneration paid to such individual by the crew leader (either on his own behalf or on behalf of such other entity) for the service in agricultural labor performed for such other entity.
- 17 (iv) For the purpose of subparagraph (I)[(i)](ii), the term "crew leader" means an individual who 18
- 19 (aa) furnishes individuals to perform service in agricultural labor 20 for any other entity;
  - (bb) pays (either on his own behalf or on behalf of such other entity) the individuals so furnished by him for the service in agricultural labor performed by them; and
  - (cc) has not entered into a written agreement with such other entity under which such individual is designated as an employee of such other
  - (J) Domestic service after December 31, 1977 performed in the private home of an employing unit which paid cash remuneration of \$1,000.00 or more to one or more individuals for such domestic service in any calendar quarter in the current or preceding calendar year.
  - (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.
- 42 (3) Services performed within this State but not covered under 43 paragraph (2) of this subsection shall be deemed to be employment 44 subject to this chapter (R.S.43:21-1 et seq.) if contributions are not 45 required and paid with respect to such services under an unemployment compensation law of any other state or of the federal 46

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- 2 (4) Services not covered under paragraph (2) of this subsection and 3 performed entirely without this State, with respect to no part of which 4 contributions are required and paid under an unemployment compensation law of any other state or of the federal government, 5 6 shall be deemed to be employment subject to this chapter (R.S.43:21-1 7 et seq.) if the individual performing such services is a resident of this 8 State and the employing unit for whom such services are performed 9 files with the division an election that the entire service of such 10 individual shall be deemed to be employment subject to this chapter 11 (R.S.43:21-1 et seq.).
  - (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 (R.S.43:21-1 et seq.) 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) Provided that such services are also exempt under the Federal Unemployment Tax Act, as amended, or that contributions with respect to such services are not required to be paid into a state unemployment fund as a condition for a tax offset credit against the tax imposed by the Federal Unemployment Tax Act, as amended, the term "employment" shall not include:
- 36 (A) Agricultural labor performed prior to January 1, 1978; and after
  37 December 31, 1977, only if performed in a calendar year for an entity
  38 which is not an employer as defined in the "unemployment
  39 compensation law," (R.S.43:21-1 et seq.) as of January 1 of such
  40 calendar year; or unless performed for an employing unit which
  - (i) during a calendar quarter in either the current or the preceding calendar year paid remuneration in cash of \$20,000.00 or more to individuals employed in agricultural labor, or
- 44 (ii) for some portion of a day in each of 20 different calendar 45 weeks, whether or not such weeks were consecutive, in either the 46 current or the preceding calendar year, employed in agricultural labor

- 1 10 or more individuals, regardless of whether they were employed at 2 the same moment in time;
- 3 (B) Domestic service in a private home performed prior to January 4 1, 1978; and after December 31, 1977, unless performed in the private
- 5 home of an employing unit which paid cash remuneration of \$1,000.00
- or more to one or more individuals for such domestic service in any calendar quarter in the current or preceding calendar year;
- 8 (C) Service performed by an individual in the employ of his son, 9 daughter or spouse, and service performed by a child under the age of 10 18 in the employ of his father or mother;

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- (D) Service performed prior to January 1, 1978, in the employ of this State or of any political subdivision thereof or of any instrumentality of this State or its political subdivisions, except as provided in R.S.43:21-19 (i) (1) (B) above, and service in the employ of the South Jersey Port Corporation or its successors;
- (E) Service performed in the employ of any other state or its political subdivisions or of an instrumentality of any other state or states or their political subdivisions to the extent that such instrumentality is with respect to such service exempt under the Constitution of the United States from the tax imposed under the Federal Unemployment Tax Act, as amended, except as provided in R.S.43:21-19 (i) (1) (B) above;
- 23 (F) Service performed in the employ of the United States Government or of any instrumentality of the United States except 24 under the Constitution of the United States from the contributions 25 26 imposed by the "unemployment compensation law," except that to the 27 extent that the Congress of the United States shall permit states to 28 require any instrumentalities of the United States to make payments 29 into an unemployment fund under a state unemployment compensation 30 law, all of the provisions of this act shall be applicable to such 31 instrumentalities, and to service performed for such instrumentalities, 32 in the same manner, to the same extent and on the same terms as to all 33 other employers, employing units, individuals and services; provided 34 that if this State shall not be certified for any year by the Secretary of Labor of the United States under section 3304 of the federal Internal 35 Revenue Code of 1986 (26 U.S.C. s.3304), the payments required of 36 37 such instrumentalities with respect to such year shall be refunded by 38 the division from the fund in the same manner and within the same 39 period as is provided in R.S.43:21-14 (f) with respect to contributions 40 erroneously paid to or collected by the division;
- 41 (G) Services performed in the employ of fraternal beneficiary 42 societies, orders, or associations operating under the lodge system or 43 for the exclusive benefit of the members of a fraternity itself operating 44 under the lodge system and providing for the payment of life, sick, 45 accident, or other benefits to the members of such society, order, or 46 association, or their dependents;

- 1 (H) Services performed as a member of the board of directors, a 2 board of trustees, a board of managers, or a committee of any bank, 3 building and loan, or savings and loan association, incorporated or 4 organized under the laws of this State or of the United States, where such services do not constitute the principal employment of the 5 6 individual:
- (I) Service with respect to which unemployment insurance is 8 payable under an unemployment insurance program established by an Act of Congress;

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- (J) Service performed by agents of mutual fund brokers or dealers in the sale of mutual funds or other securities, by agents of insurance companies, exclusive of industrial insurance agents or by agents of investment companies, if the compensation to such agents for such services is 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 performed for or in behalf of the owner or operator of any theatre, 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 after January 1, 1973 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 \$1,000.00 in a calendar year;
- (O) Services performed in the sale or distribution of merchandise by home-to-home salespersons or in-the-home demonstrators whose remuneration consists wholly of commissions or commissions and bonuses;
- 37 (P) Service performed in the employ of a foreign government, 38 including service as a consular, nondiplomatic representative, or other 39 officer or employee;
- 40 (Q) Service performed in the employ of an instrumentality wholly 41 owned by a foreign government if (i) the service is of a character 42 similar to that performed in foreign countries by employees of the 43 United States Government or of an instrumentality thereof, and (ii) the 44 division finds that the United States Secretary of State has certified to 45 the United States Secretary of the Treasury that the foreign government, with respect to whose instrumentality exemption is 46

claimed, grants an equivalent exemption with respect to similar services performed in the foreign country by employees of the United States Government and of instrumentalities thereof;

- (R) Service in the employ of an international organization entitled to enjoy the privileges, exemptions and immunities under the International Organizations Immunities Act (22 U.S.C. s.288 et seq.);
- (S) Service covered by an election duly approved by an agency charged with the administration of any other state or federal unemployment compensation or employment security law, in accordance with an arrangement pursuant to R.S.43:21-21 during the effective period of such election;
- (T) Service performed in the employ of a school, college, or university if such service is performed (i) by a student enrolled at such school, college, or university on a full-time basis in an educational program or completing such educational program leading to a degree at any of the severally recognized levels, or (ii) by the spouse of such a student, if such spouse is advised at the time such spouse commences to perform such service that (I) the employment of such spouse to perform such service is provided under a program to provide financial assistance to such student by such school, college, or university, and (II) such employment will not be covered by any program of unemployment insurance;
- (U) Service performed by an individual who is enrolled at a nonprofit or public educational institution which normally maintains a regular faculty and curriculum and normally has a regularly organized body of students in attendance at the place where its educational activities are carried on, as a student in a full-time program, taken for credit at such institution, which combines academic instruction with work experience, if such service is an integral part of such program, and such institution has so certified to the employer, except that this subparagraph shall not apply to service performed in a program established for or on behalf of an employer or group of employers;
- (V) Service performed in the employ of a hospital, if such service is performed by a patient of the hospital; service performed as a student nurse in the employ of a hospital or a nurses' training school by an individual who is enrolled and regularly attending classes in a nurses' training school approved under the laws of this State; and service performed as an intern in the employ of a hospital by an individual who has completed a four-year course in a medical school approved pursuant to the laws of this State;
- (W) Services performed after the effective date of this amendatory act by agents of mutual benefit associations if the compensation to such agents for such services is wholly on a commission basis;
- 44 (X) Services performed by operators of motor vehicles weighing 45 18,000 pounds or more, licensed for commercial use and used for the 46 highway movement of motor freight, who own their equipment or who

- 1 lease or finance the purchase of their equipment through an entity
- 2 which is not owned or controlled directly or indirectly by the entity for
- 3 which the services were performed and who were compensated by
- 4 receiving a percentage of the gross revenue generated by the
- 5 transportation move or by a schedule of payment based on the distance
- 6 and weight of the transportation move;

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- (Y) Services performed by a certified shorthand reporter certified pursuant to P.L.1940, c.175 (C.45:15B-1 et seq.), provided to a third party by the reporter who is referred to the third party pursuant to an agreement with another certified shorthand reporter or shorthand reporting service, on a freelance basis, compensation for which is based upon a fee per transcript page, flat attendance fee, or other flat minimum fee, or combination thereof, set forth in the agreement;
  - (Z) Services performed, using facilities provided by a travel agent, by a person, commonly known as an outside travel agent, who acts as an independent contractor, is paid on a commission basis, sets his own work schedule and receives no benefits, sick leave, vacation or other leave from the travel agent owning the facilities.
- (8) If one-half or more of the services in any pay period performed by an individual for an employing unit constitutes employment, all the services of such individual shall be deemed to be employment; but if more than one-half of the service in any pay period performed by an individual for an employing unit does not constitute employment, then none of the service of such individual shall be deemed to be employment. As used in this paragraph, the term "pay period" means a period of not more than 31 consecutive days for which a payment for service is ordinarily made by an employing unit to individuals in its employ.
- (9) Services performed by the owner of a limousine franchise (franchisee) shall not be deemed to be employment subject to the "unemployment compensation law," R.S.43:21-1 et seq., with regard to the franchisor if:
- 33 (A) The limousine franchisee is incorporated;
- 34 (B) The franchisee is subject to regulation by the Interstate 35 Commerce Commission;
- 36 (C) The limousine franchise exists pursuant to a written franchise 37 arrangement between the franchisee and the franchisor as defined by 38 section 3 of P.L.1971, c.356 (C.56:10-3); and
- 39 (D) The franchisee registers with the Department of Labor and 40 receives an employer registration number.
- 41 (j) "Employment office" means a free public employment office, 42 or branch thereof operated by this State or maintained as a part of a 43 State-controlled system of public employment offices.
- 44 (k) (Deleted by amendment, P.L.1984, c.24.)
- 45 (1) "State" includes, in addition to the states of the United States 46 of America, the District of Columbia, the Virgin Islands and Puerto

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- 2 (m) "Unemployment."
- 3 (1) An individual shall be deemed "unemployed" for any week 4 during which:
- (A) The individual is not engaged in full-time work and with 5 6 respect to which his remuneration is less than his weekly benefit rate, 7 including any week during which he is on vacation without pay; 8 provided such vacation is not the result of the individual's voluntary 9 action, except that for benefit years commencing on or after July 1, 10 1984, an officer of a corporation, or a person who has more than a 5% 11 equitable or debt interest in the corporation, whose claim for benefits 12 is based on wages with that corporation shall not be deemed to be 13 unemployed in any week during the individual's term of office or 14 ownership in the corporation; or
  - (B) The individual is eligible for and receiving a self-employment assistance allowance pursuant to the requirements of P.L.1995, c.394 (C.43:21-67 et al.).
  - (2) The term "remuneration" with respect to any individual for benefit years commencing on or after July 1, 1961, and as used in this subsection, shall include only that part of the same which in any week exceeds 20% of his weekly benefit rate (fractional parts of a dollar omitted) or \$5.00, whichever is the larger.
  - (3) An individual's week of unemployment shall be deemed to commence only after the individual has filed a claim at an unemployment insurance claims 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 (R.S.43:21-1 et seq.), from which administrative expenses under this chapter (R.S.43:21-1 et seq.) shall be paid.
  - (o) "Wages" means remuneration paid by employers for employment. If a worker receives gratuities regularly in the course of his employment from other than his employer, his "wages" shall also include the gratuities so received, if reported in writing to his employer in accordance with regulations of the division, and if not so reported, his "wages" shall be determined in accordance with the minimum wage rates prescribed under any labor law or regulation of this State or of the United States, or the amount of remuneration actually received by the employee from his employer, whichever is the higher.
- 41 (p) "Remuneration" means all compensation for personal services, 42 including commission and bonuses and the cash value of all 43 compensation in any medium other than cash.
- 44 (q) "Week" means for benefit years commencing on or after 45 October 1, 1984, the calendar week ending at midnight Saturday, or 46 as the division may by regulation prescribe.

- 1 (r) "Calendar quarter" means the period of three consecutive 2 calendar months ending March 31, June 30, September 30, or 3 December 31.
- 4 (s) "Investment company" means any company as defined in subsection a. of section 1 of P.L.1938, c.322 (C.17:16A-1).
- (t) (1) ["Base week" for a benefit year commencing on or after 6 7 October 1, 1985 and before January 1, 1996 means any calendar week 8 of an individual's base year during which the individual earned in 9 employment from an employer remuneration equal to not less than 10 20% of the Statewide average weekly remuneration defined in subsection (c) of R.S.43:21-3 which shall be adjusted to the next 11 12 higher multiple of \$1.00 if not already a multiple thereof; provided if 13 in any calendar week an individual is in employment with more than 14 one employer, he may in such calendar week establish a base week 15 with respect to each such employer from whom the individual earns remuneration equal to not less than the amount defined in this 16 17 paragraph (1) during such week.] (Deleted by amendment, P.L., 18
  - (2) "Base week," for a benefit year commencing on or after January 1, 1996 and before January 7, 2001, means:

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- (A) Any calendar week of an individual's base year during which the individual earned in employment from an employer remuneration not less than an amount which is 20% of the Statewide average weekly remuneration defined in subsection (c) of R.S.43:21-3 which amount shall be adjusted to the next higher multiple of \$1.00 if not already a multiple thereof, except that if in any calendar week an individual subject to this subparagraph (A) is in employment with more than one employer, the individual may in that calendar week establish a base week with respect to each of the employers from whom the individual earns remuneration equal to not less than the amount defined in this subparagraph (A) during that week; or
- 32 (B) If the individual does not establish in his base year 20 or more 33 base weeks as defined in subparagraph (A) of this paragraph (2), any 34 calendar week of an individual's base year during which the individual 35 earned in employment from an employer remuneration not less than an amount 20 times the minimum wage in effect pursuant to section 5 of 36 37 P.L.1966, c.113 (C.34:11-56a4) on October 1 of the calendar year 38 preceding the calendar year in which the benefit year commences, 39 which amount shall be adjusted to the next higher multiple of \$1.00 if 40 not already a multiple thereof, except that if in any calendar week an individual subject to this subparagraph (B) is in employment with more 41 42 than one employer, the individual may in that calendar week establish 43 a base week with respect to each of the employers from whom the 44 individual earns remuneration not less than the amount defined in this 45 subparagraph (B) during that week.
- 46 (3) "Base week," for a benefit year commencing on or after

- 1 January 7, 2001, means any calendar week of an individual's base year
- 2 <u>during which the individual earned in employment from an employer</u>
- 3 remuneration not less than an amount 20 times the minimum wage in
- 4 effect pursuant to section 5 of P.L.1966, c.113 (C.34:11-56a4) on
- 5 October 1 of the calendar year preceding the calendar year in which
- 6 the benefit year commences, which amount shall be adjusted to the
- 7 <u>next higher multiple of \$1.00 if not already a multiple thereof, except</u>
- 8 that if in any calendar week an individual subject to this paragraph (3)
- 9 is in employment with more than one employer, the individual may in
- 10 that calendar week establish a base week with respect to each of the
- 11 <u>employers from whom the individual earns remuneration equal to not</u>
- 12 <u>less than the amount defined in this paragraph (3) during that week.</u>

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(u) "Average weekly wage" means the amount derived by dividing an individual's total wages received during his base year base weeks (as defined in subsection (t) of this section) from that most recent base year employer with whom he has established at least 20 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 20 base weeks, then such individual's average weekly wage shall be computed as if all of his base week wages were received from one employer and as if all his base weeks of

employment had been performed in the employ of one employer.

- For the purpose of computing the average weekly wage, the monetary alternative in subparagraph (B) of paragraph (2) of subsection (e) of R.S.43:21-4 shall only apply in those instances where the individual did not have at least 20 base weeks in the base year. For benefit years commencing on or after July 1, 1986, "average weekly wage" means the amount derived by dividing an individual's total base year wages by the number of base weeks worked by the individual during the base year; provided that for the purpose of computing the average weekly wage, the maximum number of base weeks used in the divisor shall be 52.
- 33 (v) "Initial determination" means, subject to the provisions of 34 R.S.43:21-6(b)(2) and (3), a determination of benefit rights as measured by an eligible individual's base year employment with a 35 single employer covering all periods of employment with that employer 36 37 during the base year. For benefit years commencing prior to July 1, 38 1986, subject to the provisions of R.S.43:21-3(d)(3), if an individual 39 has been in employment in his base year with more than one employer, 40 no benefits shall be paid to that individual under any successive initial 41 determination until his benefit rights have been exhausted under the next preceding initial determination. 42
  - (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.
- 46 (x) "Most recent base year employer" means that employer with

1 whom the individual most recently, in point of time, performed service 2 in employment in the base year.

- (1) "Educational institution" means any public or other nonprofit institution (including an institution of higher education):
- (A) In which participants, trainees, or students are offered an 5 6 organized course of study or training designed to transfer to them 7 knowledge, skills, information, doctrines, attitudes or abilities from, 8 by or under the guidance of an instructor **[**(s)**]** or teacher **[**(s)**]**;
  - (B) Which is approved, licensed or issued a permit to operate as a school by the State Department of Education or other government agency that is authorized within the State to approve, license or issue a permit for the operation of a school; and
  - (C) Which offers courses of study or training which may be academic, technical, trade, or preparation for gainful employment in a recognized occupation.
- (2) "Institution of higher education" means an educational 16 17 institution which:
  - (A) Admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;
  - (B) Is legally authorized in this State to provide a program of education beyond high school;
  - (C) Provides an educational program for which it awards a bachelor's or higher degree, or provides a program which is acceptable for full credit toward such a degree, a program of post-graduate or post-doctoral studies, or a program of training to prepare students for gainful employment in a recognized occupation; and
    - (D) Is a public or other nonprofit institution.
- 29 Notwithstanding any of the foregoing provisions of this subsection, 30 all colleges and universities in this State are institutions of higher 31 education for purposes of this section.
- 32 (z) "Hospital" means an institution which has been licensed, 33 certified or approved under the law of this State as a hospital.
- 34 (cf: P.L.1995, c.394, s.9)

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- 3. Section 3 of P.L.1948, c.110 (C.43:21-27) is amended to read 36 37 as follows:
- 38 3. As used in this act, unless the context clearly requires otherwise:
- 39 (a)(1) "Covered employer" means any individual or type of 40 organization, including any partnership, association, trust, estate,
- 41 joint-stock company, insurance company or corporation, whether

domestic or foreign, or the receiver, trustee in bankruptcy, trustee or

who is an employer subject to the chapter to which this act is a

- 43 successor thereof, or the legal representative of a deceased person,
- 44
- supplement, designated as the [Unemployment Compensation Law] 45
- "unemployment compensation law" (R.S. 43:21-1 et seq.), except the 46

- 1 State, its political subdivisions, and any instrumentality of the State
- 2 unless such governmental entity elects to become a covered employer
- under the [Temporary Disability Benefits Law] "Temporary Disability 3
- 4 Benefits Law"; provided, however, that commencing with the effective
- 5 date of this act the State of New Jersey, including Rutgers, The State
- 6 University, the University of Medicine and Dentistry of New Jersey
- 7 and the New Jersey Institute of Technology, shall be deemed a
- 8 covered employer, as defined herein.

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- 9 (2) Any governmental entity or instrumentality which is an 10 employer under R.S. 43:21-19(h)(5) may elect to become a "covered employer" under this subsection beginning with the date on which its coverage under subsection 19(h)(5) begins or as of January 1 of any 12 year thereafter by filing written notice of such election with the 14 division within at least 30 days of the effective date. Such election 15 shall remain in effect for at least two full calendar years and may be terminated as of January 1 of any year thereafter by filing with the 16 division a written notice of termination at least 30 days prior to the termination date.
- 19 (b) "Covered individual" means any person who is in employment, 20 as defined in the chapter to which this act is a supplement, for which 21 [he] the individual is entitled to remuneration from a covered employer, or who has been out of such employment for less than two 22 23 weeks. However, a "covered individual" who is employed by the State of New Jersey, including Rutgers, The State University, the 24 25 University of Medicine and Dentistry of New Jersey and the New 26 Jersey Institute of Technology, or by any governmental entity or instrumentality which elects to [becoming] become a "covered 27 28 employer" pursuant to this amendatory act, shall not be eligible to 29 receive any benefits under the [Temporary Disability Benefits Law ] 30 "Temporary Disability Benefits Law" until such individual has 31 exhausted all sick leave accumulated as an employee in the classified 32 service of the State or accumulated under terms and conditions similar 33 to classified employees or accumulated under the terms and 34 conditions pursuant to the laws of this State or as the result of a negotiated contract with any governmental entity or instrumentality 35 which elects to become a "covered employer." 36
  - "Covered individual" shall not mean any member of the Division of State Police in the Department of Law and Public Safety.
- 39 (c) "Division" or "commission" means the Division of 40 Unemployment and Temporary Disability Insurance of the Department 41 of Labor, and any transaction or exercise of authority by the director 42 of the division shall be deemed to be performed by the division.
- 43 (d) "Day" shall mean a full calendar day beginning and ending at 44 midnight.
- 45 (e) "Disability" shall mean such disability as is compensable under 46 section 5 of this act.

- 1 (f) "Disability benefits" shall mean any cash payments which are 2 payable to a covered individual pursuant to this act.
- (g) "Period of disability" with respect to any individual shall mean the entire period of time during which [he] the individual is continuously and totally unable to perform the duties of his employment, except that two periods of disability due to the same or related cause or condition and separated by a period of not more than 14 days shall be considered as one continuous period of disability; provided the individual has earned wages during such 14-day period with the employer who was [his] the individual's last employer immediately preceding the first period of disability.
  - (h) "Wages" shall mean all compensation payable by covered employers to covered individuals for personal services, including commissions and bonuses and the cash value of all compensation payable in any medium other than cash.

- (i)(1) ["Base week" with respect to periods of disability commencing prior to October 1, 1984, means any calendar week during which an individual earned not less than \$15.00 from a covered employer, in employment as defined in the chapter to which this act is a supplement.] (Deleted by amendment, P.L. , c. )
- (2) ["Base week" with respect to periods of disability commencing on or after October 1, 1984, and prior to October 1, 1985, means any calendar week during which an individual earned in employment from a covered employer remuneration equal to not less than 15% of the Statewide average weekly remuneration as determined under subsection (c) of R.S. 43:21-3, which shall be adjusted to the next higher multiple of \$1.00 if not already a multiple thereof.] (Deleted by amendment, P.L. , c. )
- (3) "Base week" with respect to periods of disability commencing on or after October 1, 1985 and before January 1, 2001, means any calendar week during which an individual earned in employment from a covered employer remuneration equal to not less than 20% of the Statewide average weekly remuneration as determined under subsection (c) of R.S. 43:21-3, which shall be adjusted to the next higher multiple of \$1.00 if not already a multiple thereof.
- (4) "Base week" with respect to periods of disability commencing on or after January 1, 2001, means any calendar week of an individual's base year during which the individual earned in employment from a covered employer remuneration not less than an amount 20 times the minimum wage in effect pursuant to section 5 of P.L.1966, c.113 (C.34:11-56a4) on October 1 of the calendar year preceding the calendar year in which the benefit year commences, which amount shall be adjusted to the next higher multiple of \$1.00 if not already a multiple thereof, except that if in any calendar week an individual subject to this paragraph is in employment with more than one employer, the individual may in that calendar week establish a base

week with respect to each of the employers from whom the individual
 earns remuneration equal to not less than the amount defined in this
 paragraph during that week.

(j) "Average weekly wage" means the amount derived by dividing a covered individual's total wages earned from [his] the individual's most recent covered employer during the base weeks in the eight calendar weeks immediately preceding the calendar week in which disability commenced, by the number of such base weeks. If this computation yields a result which is less than the individual's average weekly earnings in employment, as defined in the chapter to which this act is a supplement, with all covered employers during the base weeks in such eight calendar weeks, then the average weekly wage shall be computed on the basis of earnings from all covered employers during the eight base weeks immediately preceding the week in which the disability commenced. 

16 (cf: P.L.1984, c.104, s.1)

- 4. Section 17 of P.L.1948, c.110 (C.43:21-41) is amended to read as follows:
- 17. (a) (Deleted by amendment, P.L.1975, c.355.)
- (b) [With respect to periods of disability commencing on or after January 1, 1953, and prior to January 1, 1976, no individual shall be entitled to benefits under this article unless he has established at least 17 base weeks within the 52 calendar weeks preceding the week in which his period of disability commenced, nor unless he shall duly file notice and proof of claim, and submit to such reasonable examinations as are required by this act and the rules and regulations of the division.] (Deleted by amendment, P.L. , c. )
- (c) [With respect to periods of disability commencing on or after January 1, 1976, and prior to October 1, 1984, no individual shall be entitled to benefits under this article unless he has established at least 17 base weeks within the 52 calendar weeks preceding the week in which his period of disability commenced, or, in the alternative, has earned \$2,200.00 or more within the 52 calendar weeks preceding the week in which his period of disability commenced, nor unless he shall duly file notice and proof of claim, and submit to such reasonable examinations as are required by this act and the rules and regulations of the division.

Notwithstanding any provisions of this section to the contrary, the provision of subsection 17(c) shall apply to any claim pending before the division or the courts on the effective date of this act. [Deleted by amendment, P.L., c.]

(d) With respect to periods of disability commencing on or after October 1, 1984 and before January 1, 2001, no individual shall be entitled to benefits under this act unless [he] the individual has established at least 20 base weeks within the 52 calendar weeks

#### **A2614** GREGG, THOMPSON

preceding the week in which [his] the individual's period of disability commenced, or, in the alternative, the individual has earned twelve times the Statewide average weekly remuneration paid to workers, as determined under subsection (c) of R.S. 43:21-3, raised to the next higher multiple of \$100.00, if not already a multiple thereof, or more within the 52 calendar weeks preceding the week in which [his] the period of disability commenced, nor shall the individual be entitled to benefits unless he shall duly file notice and proof of claim, and submit to such reasonable examinations as are required by this act and the

(2) With respect to periods of disability commencing on or after January 1, 2001, no individual shall be entitled to benefits under this act unless the individual has, within the 52 calendar weeks preceding the week in which the individual's period of disability commenced, established at least 20 base weeks or earned not less than 1,000 times the minimum wage in effect pursuant to section 5 of P.L.1996, c.113 (C.34:11-56a4) on October 1 of the calendar year preceding the calendar year in which the disability commences, which amount shall be adjusted to the next higher multiple of \$100.00, if not already a multiple thereof.

(cf: P.L.1984, c.104, s.4)

rules and regulations of the division.

5. This act shall take effect immediately.

#### **STATEMENT**

This bill provides uniform standards regarding the minimum earnings required to be eligible for unemployment insurance (UI) benefits and temporary disability insurance (TDI) benefits, and simplifies the standards for UI benefits.

Currently, a laid-off worker may qualify for UI benefits by earning, during the worker's base year, at least 12 times the average weekly wage (AWW) for all workers or 1,000 times the State minimum hourly wage, or by earning, during each of at least 20 "base weeks," at least 20% of the AWW or 20 times the minimum wage. This bill makes the UI eligibility determination process for employers and employees simpler by using only the standards based on multiples of the minimum wage and omitting the standards based on the AWW. The bill also changes the minimum earnings during a worker's base year for TDI eligibility from 12 times the AWW for all workers to 1000 times the State minimum wage, and changes the minimum earnings during a worker's base week for TDI eligibility from 20% of the AWW to 20 times the minimum wage, thus making the minimum earnings requirements for UI and TDI benefit eligibility identical.

This bill was proposed by the State Department of Labor to

#### **A2614** GREGG, THOMPSON

- 1 streamline and rationalize UI and TDI eligibility determination
- 2 processes, and has been unanimously endorsed by the Employment
- 3 Security Council, the advisory body appointed by the Governor to
- 4 represent business and labor organizations and the general public on
- 5 issues concerning the UI and TDI systems.

#### ASSEMBLY LABOR COMMITTEE

#### STATEMENT TO

#### ASSEMBLY, No. 2614

with committee amendments

## STATE OF NEW JERSEY

DATED: OCTOBER 16, 2000

The Assembly Labor Committee reports favorably Assembly Bill No. 2614, with committee amendments.

As amended by the committee, this bill provides uniform standards regarding the minimum earnings required to be eligible for unemployment insurance (UI) benefits and temporary disability insurance (TDI) benefits, and simplifies the standards for UI benefits.

Currently, a laid-off worker may qualify for UI benefits by earning, during the worker's base year, at least 12 times the average weekly wage (AWW) for all workers or 1,000 times the State minimum hourly wage, or by earning, during each of at least 20 "base weeks," at least 20% of the AWW or 20 times the minimum wage. This bill makes the UI eligibility determination process for employers and employees simpler by using only the standards based on multiples of the minimum wage and omitting the standards based on the AWW. The bill also changes the minimum earnings during a worker's base year for TDI eligibility from 12 times the AWW for all workers to 1000 times the State minimum wage, and changes the minimum earnings during a worker's base week for TDI eligibility from 20% of the AWW to 20 times the minimum wage, thus making the minimum earnings requirements for UI and TDI benefit eligibility identical.

This bill was proposed by the State Department of Labor to streamline and rationalize the UI and TDI eligibility determination processes, and has been unanimously endorsed by the Employment Security Council, the advisory body appointed by the Governor to represent business and labor organizations and the general public on issues concerning the UI and TDI systems.

The committee amended the bill to have the bill's requirements apply only to base weeks occurring after the effective date of the bill, thus avoiding the added administrative time and cost of collecting additional information about those earlier weeks.

## [First Reprint]

## ASSEMBLY, No. 2614

# STATE OF NEW JERSEY 209th LEGISLATURE

INTRODUCED JUNE 19, 2000

**Sponsored by:** 

Assemblyman GUY R. GREGG
District 24 (Sussex, Hunterdon and Morris)
Assemblyman SAMUEL D. THOMPSON
District 13 (Middlesex and Monmouth)

#### **SYNOPSIS**

Modifies eligibility for temporary disability and unemployment benefits.

#### **CURRENT VERSION OF TEXT**

As reported by the Assembly Labor Committee on October 16, 2000, with amendments.



**AN ACT** concerning eligibility for unemployment compensation and temporary disability benefits and amending R.S.43:21-4, R.S.43:21-19 and P.L.1948, c.110.

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

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- 1. R.S.43:21-4 is amended to read as follows:
- 43:21-4. Benefit eligibility conditions. An unemployed individual shall be eligible to receive benefits with respect to any week only if:
- (a) The individual has filed a claim at an unemployment insurance claims office and thereafter continues to report at an employment service office or unemployment insurance claims office, as directed by the division in accordance with such regulations as the division may prescribe, except that the division may, by regulation, waive or alter either or both of the requirements of this subsection as to individuals attached to regular jobs, and as to such other types of cases or situations with respect to which the division finds that compliance with such requirements would be oppressive, or would be inconsistent with the purpose of this act; provided that no such regulation shall conflict with subsection (a) of R.S.43:21-3.
- (b) The individual has made a claim for benefits in accordance with the provisions of subsection (a) of R.S.43:21-6.
- (c) (1) The individual is able to work, and is available for work, and has demonstrated to be actively seeking work, except as hereinafter provided in this subsection or in subsection (f) of this section.
- (2) The director may modify the requirement of actively seeking work if such modification of this requirement is warranted by economic conditions.
- (3) No individual, who is otherwise eligible, shall be deemed ineligible, or unavailable for work, because the individual is on vacation, without pay, during said week, if said vacation is not the result of the individual's own action as distinguished from any collective action of a collective bargaining agent or other action beyond the individual's control.
- 36 (4) (A) Subject to such limitations and conditions as the division 37 may prescribe, an individual, who is otherwise eligible, shall not be 38 deemed unavailable for work or ineligible because the individual is 39 attending a training program approved for the individual by the 40 division to enhance the individual's employment opportunities or 41 because the individual failed or refused to accept work while attending 42 such program.

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:

<sup>&</sup>lt;sup>1</sup> Assembly ALA committee amendments adopted October 16, 2000.

(B) For the purpose of this paragraph (4), any training program shall be regarded as approved by the division for the individual if the program and the individual meet the following requirements:

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- (i) The training is for a labor demand occupation and is likely to enhance the individual's marketable skills and earning power;
- 6 (ii) The training is provided by a competent and reliable private or 7 public entity approved by the Commissioner of Labor pursuant to the 8 provisions of section 8 of the "1992 New Jersey Employment and 9 Workforce Development Act," P.L.1992, c.43 (C.34:15D-8);
  - (iii) The individual can reasonably be expected to complete the program, either during or after the period of benefits;
  - (iv) The training does not include on the job training or other training under which the individual is paid by an employer for work performed by the individual during the time that the individual receives benefits; and
  - (v) The individual enrolls in vocational training, remedial education or a combination of both on a full-time basis.
  - (C) If the requirements of subparagraph (B) of this paragraph (4) are met, the division shall not withhold approval of the training program for the individual for any of the following reasons:
  - (i) The training includes remedial basic skills education necessary for the individual to successfully complete the vocational component of the training;
  - (ii) The training is provided in connection with a program under which the individual may obtain a college degree, including a post-graduate degree;
    - (iii) The length of the training period under the program; or
  - (iv) The lack of a prior guarantee of employment upon completion of the training.
  - (D) For the purpose of this paragraph (4), "labor demand occupation" means an occupation for which there is or is likely to be an excess of demand over supply for adequately trained workers, including, but not limited to, an occupation designated as a labor demand occupation by the New Jersey Occupational Information Coordinating Committee pursuant to the provisions of subsection h.
- 36 of section 1 of P.L.1987, c.457 (C.34:1A-76) or section 12 of
- 37 P.L.1992, c.43 (C.34:1A-78).
  - (5) An unemployed individual, who is otherwise eligible, shall not be deemed unavailable for work or ineligible solely by reason of the individual's attendance before a court in response to a summons for service on a jury.
- 42 (6) An unemployed individual, who is otherwise eligible, shall not 43 be deemed unavailable for work or ineligible solely by reason of the 44 individual's attendance at the funeral of an immediate family member, 45 provided that the duration of the attendance does not extend beyond 46 a two-day period.

For purposes of this paragraph, "immediate family member" 1 2 includes any of the following individuals: father, mother, 3 mother-in-law, father-in-law, grandmother, grandfather, grandchild, 4 spouse, child, foster child, sister or brother of the unemployed individual and any relatives of the unemployed individual residing in 5 6 the unemployed individual's household.

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- (7) No individual, who is otherwise eligible, shall be deemed ineligible or unavailable for work with respect to any week because, during that week, the individual fails or refuses to accept work while the individual is participating on a full-time basis in self-employment assistance activities authorized by the division, whether or not the individual is receiving a self-employment allowance during that week.
- (8) Any individual who is determined to be likely to exhaust regular benefits and need reemployment services based on information obtained by the worker profiling system shall not be eligible to receive benefits if the individual fails to participate in available reemployment 16 services to which the individual is referred by the division or in similar services, unless the division determines that:
  - (A) The individual has completed the reemployment services; or
  - (B) There is justifiable cause for the failure to participate, which include participation in employment and self-employment assistance activities or other activities authorized by the division to assist reemployment or enhance the marketable skills and earning power of the individual and which shall include any other circumstance indicated pursuant to this section in which an individual is not required to be available for and actively seeking work to receive benefits.
  - (d) The individual has been totally or partially unemployed for a waiting period of one week in the benefit year which includes that week. When benefits become payable with respect to the third consecutive week next following the waiting period, the individual shall be eligible to receive benefits as appropriate with respect to the waiting period. No week shall be counted as a week of unemployment for the purposes of this subsection:
- (1) If benefits have been paid, or are payable with respect thereto; 35 36 provided that the requirements of this paragraph shall be waived with 37 respect to any benefits paid or payable for a waiting period as provided 38 in this subsection;
- 39 (2) If it has constituted a waiting period week under the 40 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et 41 seq.);
- 42 (3) Unless the individual fulfills the requirements of subsections (a) 43 and (c) of this section;
- 44 (4) If with respect thereto, claimant was disqualified for benefits in 45 accordance with the provisions of subsection (d) of R.S.43:21-5.
  - (e) (1) [With respect to a base year as defined in subsection (c) of

- 1 R.S.43:21-19, the individual has established at least 20 base weeks as
- defined in subsection (t) of R.S.43:21-19, or, in those instances in
- 3 which the individual has not established 20 base weeks, except as
- 4 otherwise provided in paragraph (3) of this subsection, for benefit
- 5 years commencing on or after October 1, 1984 and before January 1,
- 6 1996, the individual has earned 12 times the Statewide average weekly
- 7 remuneration paid to workers, as determined under R.S.43:21-3(c),
- 8 raised to the next higher multiple of \$100.00 if not already a multiple
- 9 thereof, or more in the individual's base year.] (Deleted by
- 10 amendment, P.L., c.
- 11 (2) With respect to benefit years commencing on or after January
- 12 1, 1996 and before January 7, 2001, except as otherwise provided in
- 13 paragraph (3) of this subsection, the individual has, during his base
- 14 year as defined in subsection (c) of R.S.43:21-19:
- 15 (A) Established at least 20 base weeks as defined in paragraph (2)
- 16 of subsection (t) of R.S.43:21-19; or
- 17 (B) If the individual has not met the requirements of subparagraph
- 18 (A) of this paragraph (2), earned remuneration not less than an amount
- 19 12 times the Statewide average weekly remuneration paid to workers,
- as determined under R.S.43:21-3(c), which amount shall be adjusted
- 21 to the next higher multiple of \$100.00 if not already a multiple thereof;
- 22 or
- 23 (C) If the individual has not met the requirements of subparagraph
- 24 (A) or (B) of this paragraph (2), earned remuneration not less than an
- amount 1,000 times the minimum wage in effect pursuant to section
- 26 5 of P.L.1966, c.113 (C.34:11-56a4) on October 1 of the calendar
- 27 year preceding the calendar year in which the benefit year commences,
- 28 which amount shall be adjusted to the next higher multiple of \$100.00
- 29 if not already a multiple thereof.
- 30 (3) [Notwithstanding] With respect to benefit years commencing
- 31 <u>before January 7, 2001, notwithstanding</u> the provisions of paragraph
- 32 [(1) or paragraph] (2) of this subsection, an unemployed individual
- claiming benefits on the basis of service performed in the production
- and harvesting of agricultural crops shall, subject to the limitations of
- 35 subsection (i) of R.S.43:21-19, be eligible to receive benefits if during
- 36 his base year, as defined in subsection (c) of R.S.43:21-19, the
- 37 individual:
- 38 (A) Has established at least 20 base weeks as defined in paragraph
- 39 [(1)](2) of subsection (t) of R.S.43:21-19; or
- 40 (B) Has earned 12 times the Statewide average weekly
- 41 remuneration paid to workers, as determined under R.S.43:21-3(c),
- 42 raised to the next higher multiple of \$100.00 if not already a multiple
- 43 thereof, or more; or
- 44 (C) Has performed at least 770 hours of service in the production
- 45 and harvesting of agricultural crops.
- 46 (4) With respect to benefit years commencing on or after January

- 1 7, 2001, except as otherwise provided in paragraph (5) of this
- 2 subsection, the individual has, during his base year as defined in
- 3 subsection (c) of R.S.43:21-19:
- 4 (A) Established at least 20 base weeks as defined in <sup>1</sup>[paragraph]
- 5 paragraphs (2) and (3) of subsection (t) of R.S.43:21-19; or
- (B) If the individual has not met the requirements of subparagraph 6
- 7 (A) of this paragraph (4), earned remuneration not less than an amount
- 8 1,000 times the minimum wage in effect pursuant to section 5 of
- 9 P.L.1966, c.113 (C.34:11-56a4) on October 1 of the calendar year
- 10 preceding the calendar year in which the benefit year commences.
- which amount shall be adjusted to the next higher multiple of \$100 if 11
- 12 not already a multiple thereof.
- 13 (5) With respect to benefit years commencing on or after January
- 14 7, 2001, notwithstanding the provisions of paragraph (4) of this
- 15 subsection, an unemployed individual claiming benefits on the basis of
- 16 service performed in the production and harvesting of agricultural
- crops shall, subject to the limitations of subsection (i) of R.S.43:21-19, 17
- 18 be eligible to receive benefits if during his base year, as defined in
- 19 subsection (c) of R.S.43:21-19, the individual:
- (A) Has established at least 20 base weeks as defined in 20
- <sup>1</sup>[paragraph] paragraphs (2) and (3) of subsection (t) of 21
- R.S.43:21-19; or 22
- 23 (B) Has earned remuneration not less than an amount 1,000 times
- 24 the minimum wage in effect pursuant to section 5 of P.L.1966, c.113
- 25 (C.34:11-56a4) on October 1 of the calendar year preceding the
- 26 calendar year in which the benefit year commences, which amount
- 27 shall be adjusted to the next higher multiple of \$100 if not already a
- multiple thereof; or 28
- 29 (C) Has performed at least 770 hours of service in the production
- 30 and harvesting of agricultural crops.
- 31 (6) The individual applying for benefits in any successive benefit
- 32 year has earned at least six times his previous weekly benefit amount
- 33 and has had four weeks of employment since the beginning of the
- 34 immediately preceding benefit year. This provision shall be in addition
- to the earnings requirements specified in paragraph [(1),] (2), [or] 35
- 36 (3), (4) or (5) of this subsection, as applicable.
- (f) (1) The individual has suffered any accident or sickness not 37
- 38 compensable under the workers' compensation law, R.S.34:15-1 et
- 39 seq. and resulting in the individual's total disability to perform any 40
- work for remuneration, and would be eligible to receive benefits under
- 41 this chapter (R.S.43:21-1 et seq.) (without regard to the maximum amount of benefits payable during any benefit year) except for the 42
- 43 inability to work and has furnished notice and proof of claim to the
- 44 division, in accordance with its rules and regulations, and payment is
- 45 not precluded by the provisions of R.S.43:21-3(d); provided, however,
- that benefits paid under this subsection (f) shall be computed on the 46

- 1 basis of only those base year wages earned by the claimant as a
- 2 "covered individual," as defined in R.S.43:21-27(b); provided further
- 3 that no benefits shall be payable under this subsection to any 4 individual:
- 5 (A) For any period during which such individual is not under the 6 care of a legally licensed physician, dentist, optometrist, podiatrist, 7 practicing psychologist or chiropractor;
  - (B) (Deleted by amendment, P.L.1980, c.90.)

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- (C) 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 crime of the first, second or third degree;
- (D) For any week with respect to which or a part of which the individual has received or is seeking benefits under any unemployment compensation or disability benefits law of any other state or of the United States; provided that if the appropriate agency of such other state or the United States finally determines that the individual is not entitled to such benefits, this disqualification shall not apply;
- (E) For any week with respect to which or part of which the individual has received or is seeking disability benefits under the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.);
- (F) For any period of disability commencing while such individual is a "covered individual," as defined in subsection (b) of section 3 of the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-27).
- (2) Benefit payments under this subsection (f) shall be charged to and paid from the State disability benefits fund established by the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.), and shall not be charged to any employer account in computing any employer's experience rate for contributions payable under this chapter.
- 32 (g) Benefits based on service in employment defined in 33 subparagraphs (B) and (C) of R.S.43:21-19(i)(1) shall be payable in 34 the same amount and on the terms and subject to the same conditions 35 as benefits payable on the basis of other service subject to the 36 "unemployment compensation law"; except that, notwithstanding any 37 other provisions of the "unemployment compensation law":
- 38 (1) With respect to service performed after December 31, 1977, in 39 an instructional research, or principal administrative capacity for an 40 educational institution, benefits shall not be paid based on such 41 services for any week of unemployment commencing during the period 42 between two successive academic years, or during a similar period 43 between two regular terms, whether or not successive, or during a 44 period of paid sabbatical leave provided for in the individual's contract, 45 to any individual if such individual performs such services in the first of such academic years (or terms) and if there is a contract or a 46

reasonable assurance that such individual will perform services in any such capacity for any educational institution in the second of such academic years or terms;

- (2) With respect to weeks of unemployment beginning after September 3, 1982, on the basis of service performed in any other capacity for an educational institution, benefits shall not be paid on the basis of such services to any individual for any week which commences during a period between two successive academic years or terms if such individual performs such services in the first of such academic years or terms and there is a reasonable assurance that such individual will perform such services in the second of such academic years or terms, except that if benefits are denied to any individual under this paragraph (2) and the individual was not offered an opportunity to perform these services for the educational institution for the second of any academic years or terms, the individual shall be entitled to a retroactive payment of benefits for each week for which the individual filed a timely claim for benefits and for which benefits were denied solely by reason of this clause;
  - (3) With respect to those services described in paragraphs (1) and (2) above, benefits shall not be paid on the basis of such services to any individual for any week which commences during an established and customary vacation period or holiday recess if such individual performs such services in the period immediately before such vacation period or holiday recess, and there is a reasonable assurance that such individual will perform such services in the period immediately following such period or holiday recess;
  - (4) With respect to any services described in paragraphs (1) and (2) above, benefits shall not be paid as specified in paragraphs (1), (2), and (3) above to any individual who performed those services in an educational institution while in the employ of an educational service agency, and for this purpose the term "educational service agency" means a governmental agency or governmental entity which is established and operated exclusively for the purpose of providing those services to one or more educational institutions.
  - (h) Benefits shall not be paid to any individual on the basis of any services, substantially all of which consist of participating in sports or athletic events or training or preparing to so participate, for any week which commences during the period between two successive sports seasons (or similar periods) if such individual performed such services in the first of such seasons (or similar periods) and there is a reasonable assurance that such individual will perform such services in the later of such seasons (or similar periods).
- (i) (1) Benefits shall not be paid on the basis of services performed by an alien unless such alien is an individual who was lawfully admitted for permanent residence at the time the services were performed and was lawfully present for the purpose of performing the services or

- 1 otherwise was permanently residing in the United States under color
- 2 of law at the time the services were performed (including an alien who
- 3 is lawfully present in the United States as a result of the application of
- 4 the provisions of [section 203(a)(7) (8 U.S.C. 1153 (a)(7)) or] section
- 5 212(d)(5) (8 U.S.C. s.1182 (d)(5)) of the Immigration and Nationality
- 6 Act (8 U.S.C. s.1101 et seq.)); provided that any modifications of the
- 7 provisions of section 3304(a)(14) of the Federal Unemployment Tax
- Act (26 U.S.C. s.3304 (a)(14)), as provided by Pub.L.94-566, which 8
- 9 specify other conditions or other effective dates than stated herein for
- 10 the denial of benefits based on services performed by aliens and which
- modifications are required to be implemented under State law as a 11
- 12 condition for full tax credit against the tax imposed by the Federal
- 13 Unemployment Tax Act, shall be deemed applicable under the
- 14 provisions of this section.
  - (2) Any data or information required of individuals applying for benefits to determine whether benefits are not payable to them because of their alien status shall be uniformly required from all applicants for benefits.
  - (3) In the case of an individual whose application for benefits would otherwise be approved, no determination that benefits to such individual are not payable because of alien status shall be made except upon a preponderance of the evidence.
- 23 (j) Notwithstanding any other provision of this chapter, the director may, to the extent that it may be deemed efficient and economical, provide for consolidated administration by one or more representatives or deputies of claims made pursuant to subsection (f) of this section with those made pursuant to Article III (State plan) of "Temporary Disability Benefits Law," P.L.1948, c.110
- (C.43:21-25 et seq.). 30 (cf: P.L.1995, c.394, s.7)

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- 2. R.S.43:21-19 is amended to read as follows:
- 33 43:21-19. Definitions. As used in this chapter (R.S.43:21-1 et 34 seq.), 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 38 39 payrolls of any employer for the last three or five preceding calendar 40 years, whichever average is higher, except that any year or years 41 throughout which an employer has had no "annual payroll" because of 42 military service shall be deleted from the reckoning; the "average 43 annual payroll" in such case is to be determined on the basis of the 44 prior three or five calendar years in each of which the employer had an 45 "annual payroll" in the operation of his business, if the employer resumes his business within 12 months after separation, discharge or 46

- 1 release from such service, under conditions other than dishonorable,
- 2 and makes application to have his "average annual payroll" determined
- 3 on the basis of such deletion within 12 months after he resumes his
- 4 business; provided, however, that "average annual payroll" solely for
- 5 the purposes of paragraph (3) of subsection (e) of R.S.43:21-7 means
- 6 the average of the annual payrolls of any employer on which he paid
- 7 contributions to the State disability benefits fund for the last three or
- 8 five preceding calendar years, whichever average is higher; provided
- 9 further that only those wages be included on which employer
- 10 contributions have been paid on or before January 31 (or the next
- 11 succeeding day if such January 31 is a Saturday or Sunday)
- 12 immediately preceding the beginning of the 12-month period for which
- 13 the employer's contribution rate is computed.
  - (b) "Benefits" means the money payments payable to an individual, as provided in this chapter (R.S.43:21-1 et seq.), with respect to his unemployment.
- (c) (1) "Base year" with respect to benefit years commencing on or after July 1, 1986, shall mean the first four of the last five completed calendar quarters immediately preceding an individual's benefit year.
- With respect to a benefit year commencing on or after July 1, 1995,
- 21 if an individual does not have sufficient qualifying weeks or wages in
- 22 his base year to qualify for benefits, the individual shall have the option
- of designating that his base year shall be the "alternative base year,"
- 24 which means the last four completed calendar quarters immediately
- 25 preceding the individual's benefit year; except that, with respect to a
- 26 benefit year commencing on or after October 1, 1995, if the individual
- 27 also does not have sufficient qualifying weeks or wages in the last four
- 28 completed calendar quarters immediately preceding his benefit year to
- 29 qualify for benefits, "alternative base year" means the last three
- 30 completed calendar quarters immediately preceding his benefit year
- and, of the calendar quarter in which the benefit year commences, the
- 32 portion of the quarter which occurs before the commencing of the
- 33 benefit year.

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- The division shall inform the individual of his options under this
- 35 section as amended by P.L.1995, c.234. If information regarding
- 36 weeks and wages for the calendar quarter or quarters immediately
- 37 preceding the benefit year is not available to the division from the
- 38 regular quarterly reports of wage information and the division is not
- able to obtain the information using other means pursuant to State or
   federal law, the division may base the determination of eligibility for
- benefits on the affidavit of an individual with respect to weeks and
- 42 wages for that calendar quarter. The individual shall furnish payroll
- 43 documentation, if available, in support of the affidavit. A
- 44 determination of benefits based on an alternative base year shall be
- 45 adjusted when the quarterly report of wage information from the
- 46 employer is received if that information causes a change in the

determination.

- 2 (2) With respect to a benefit year commencing on or after June 1, 3 1990 for an individual who immediately preceding the benefit year was 4 subject to a disability compensable under the provisions of the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et 5 6 seq.), "base year" shall mean the first four of the last five completed 7 calendar quarters immediately preceding the individual's period of 8 disability, if the employment held by the individual immediately 9 preceding the period of disability is no longer available at the 10 conclusion of that period and the individual files a valid claim for 11 unemployment benefits after the conclusion of that period. For the purposes of this paragraph, "period of disability" means the period 12 13 defined as a period of disability by section 3 of the "Temporary 14 Disability Benefits Law," P.L.1948, c.110 (C.43:21-27). An individual 15 who files a claim under the provisions of this paragraph (2) shall not be regarded as having left work voluntarily for the purposes of 16 17 subsection (a) of R.S.43:21-5.
- 18 (3) With respect to a benefit year commencing on or after June 1, 19 1990 for an individual who immediately preceding the benefit year was 20 subject to a disability compensable under the provisions of the 21 workers' compensation law (chapter 15 of Title 34 of the Revised 22 Statutes), "base year" shall mean the first four of the last five 23 completed calendar quarters immediately preceding the individual's period of disability, if the period of disability was not longer than two 24 25 years, if the employment held by the individual immediately preceding 26 the period of disability is no longer available at the conclusion of that 27 period and if the individual files a valid claim for unemployment 28 benefits after the conclusion of that period. For the purposes of this 29 paragraph, "period of disability" means the period from the time at which the individual becomes unable to work because of the 30 31 compensable disability until the time that the individual becomes able 32 to resume work and continue work on a permanent basis. 33 individual who files a claim under the provisions of this paragraph (3) 34 shall not be regarded as having left work voluntarily for the purposes of subsection (a) of R.S.43:21-5. 35
- (d) "Benefit year" with respect to any individual means the 364 36 37 consecutive calendar days beginning with the day on, or as of, which 38 he first files a valid claim for benefits, and thereafter beginning with 39 the day on, or as of, which the individual next files a valid claim for 40 benefits after the termination of his last preceding benefit year. Any 41 claim for benefits made in accordance with subsection (a) of R.S.43:21-6 shall be deemed to be a "valid claim" for the purpose of 42 43 this subsection if (1) he is unemployed for the week in which, or as of 44 which, he files a claim for benefits; and (2) he has fulfilled the 45 conditions imposed by subsection (e) of R.S.43:21-4.
- 46 (e) (1) "Division" means the Division of Unemployment and

- 1 Temporary Disability Insurance of the Department of Labor, and any
- 2 transaction or exercise of authority by the director of the division
- 3 thereunder, or under this chapter (R.S.43:21-1 et seq.), shall be
- 4 deemed to be performed by the division.
- 5 (2) "Controller" means the Office of the Assistant Commissioner 6 for Finance and Controller of the Department of Labor, established by 7 the 1982 Reorganization Plan of the Department of Labor.
- 8 (f) "Contributions" means the money payments to the State
  9 Unemployment Compensation Fund, required by R.S.43:21-7.
  10 "Payments in lieu of contributions" means the money payments to the
  11 State Unemployment Compensation Fund by employers electing or
  12 required to make payments in lieu of contributions, as provided in
- 13 section 3 or section 4 of P.L.1971, c.346 (C.43:21-7.2 or 43:21-7.3).
- 14 (g) "Employing unit" means the State or any of its instrumentalities 15 or any political subdivision thereof or any of its instrumentalities or any instrumentality of more than one of the foregoing or any 16 17 instrumentality of any of the foregoing and one or more other states or political subdivisions or any individual or type of organization, any 18 19 partnership, association, trust, estate, joint-stock company, insurance 20 company or corporation, whether domestic or foreign, or the receiver, 21 trustee in bankruptcy, trustee or successor thereof, or the legal 22 representative of a deceased person, which has or subsequent to
- January 1, 1936, 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
- 27 employed by a single employing unit for all the purposes of this
- chapter (R.S.43:21-1 et seq.). Each individual employed to perform or to assist in performing the work of any agent or employee of an
- 30 employing unit shall be deemed to be employed by such employing unit
- 31 for all the purposes of this chapter (R.S.43:21-1 et seq.), 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.
- 35 (h) "Employer" means:

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- 36 (1) Any employing unit which in either the current or the preceding 37 calendar year paid remuneration for employment in the amount of 38 \$1,000.00 or more;
  - (2) Any employing unit (whether or not an employing unit at the time of acquisition) 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 (R.S.43:21-1 et seq.);
- 44 (3) Any employing unit which acquired the organization, trade or 45 business, or substantially all the assets thereof, of another employing 46 unit and which, if treated as a single unit with such other employing

1 unit, would be an employer under paragraph (1) of this subsection;

- 2 (4) Any employing unit which together with one or more other 3 employing units is owned or controlled (by legally enforceable means 4 or otherwise), directly or indirectly by the same interests, or which 5 owns or controls one or more other employing units (by legally 6 enforceable means or otherwise), and which, if treated as a single unit 7 with such other employing unit or interest, would be an employer 8 under paragraph (1) of this subsection;
  - (5) Any employing unit for which service in employment as defined in R.S.43:21-19 (i) (1) (B) (i) is performed after December 31, 1971; and as defined in R.S.43:21-19 (i) (1) (B) (ii) is performed after December 31, 1977;

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- (6) Any employing unit for which service in employment as defined in R.S.43:21-19 (i) (1) (C) is performed after December 31, 1971 and which in either the current or the preceding calendar year paid remuneration for employment in the amount of \$1,000.00 or more;
- 17 (7) Any employing unit not an employer by reason of any other 18 paragraph of this subsection (h) for which, within either the current or 19 preceding calendar year, service is or was performed with respect to 20 which such employing unit is liable for any federal tax against which 21 credit may be taken for contributions required to be paid into a state 22 unemployment fund; or which, as a condition for approval of the 23 "unemployment compensation law" for full tax credit against the tax 24 imposed by the Federal Unemployment Tax Act, is required pursuant 25 to such act to be an employer under this chapter (R.S.43:21-1 et seq.);
  - (8) (Deleted by amendment; P.L.1977, c.307.)
- 27 (9) (Deleted by amendment; P.L.1977, c.307.)
- 28 (10) (Deleted by amendment; P.L.1977, c.307.)
- 29 (11) Any employing unit subject to the provisions of the Federal 30 Unemployment Tax Act within either the current or the preceding 31 calendar year, except for employment hereinafter excluded under 32 paragraph (7) of subsection (i) of this section;
- 33 (12) Any employing unit for which agricultural labor in employment 34 as defined in R.S.43:21-19 (i) (1) (I) is performed after December 31, 35 1977;
- 36 (13) Any employing unit for which domestic service in employment 37 as defined in R.S.43:21-19 (i) (1) (J) is performed after December 31, 38 1977;
- the "unemployment compensation law" (R.S.43:21-1 et seq.), has not under R.S.43:21-8 ceased to be an employer; or for the effective period of its election pursuant to R.S.43:21-8, any other employing unit which has elected to become fully subject to this chapter (R.S.43:21-1 et seq.).
- 45 (i) (1) "Employment" means:
- 46 (A) Any service performed prior to January 1, 1972, which was

- 1 employment as defined in the "unemployment compensation law"
- 2 (R.S.43:21-1 et seq.) prior to such date, and, subject to the other
- 3 provisions of this subsection, service performed on or after January 1,
- 4 1972, including service in interstate commerce, performed for
- remuneration or under any contract of hire, written or oral, express or 5
- 6 implied.
- (B) (i) Service performed after December 31, 1971 by an individual 7
- 8 in the employ of this State or any of its instrumentalities or in the
- employ of this State and one or more other states or their 9
- instrumentalities for a hospital or institution of higher education 10
- located in this State, if such service is not excluded from 11
- 12 "employment" under paragraph (D) below.
- (ii) Service performed after December 31, 1977, in the employ of 13
- 14 this State or any of its instrumentalities or any political subdivision
- 15 thereof or any of its instrumentalities or any instrumentality of more
- than one of the foregoing or any instrumentality of the foregoing and 16
- 17 one or more other states or political subdivisions, if such service is not
- excluded from "employment" under paragraph (D) below. 18
- (C) Service performed after December 31, 1971 by an individual in 19
- the employ of a religious, charitable, educational, or other 20
- 21 organization, which is excluded from "employment" as defined in the
- 22 Federal Unemployment Tax Act, solely by reason of section 3306 (c)
- 23 (8) of that act, if such service is not excluded from "employment"
- 24 under paragraph (D) below.
- (D) For the purposes of paragraphs (B) and (C), the term 25
- 26 "employment" does not apply to services performed
- 27 (i) In the employ of (I) a church or convention or association of 28 churches, or (II) an organization, or school which is operated primarily
- 29 for religious purposes and which is operated, supervised, controlled or
- 30 principally supported by a church or convention or association of
- 31 churches;
- 32 (ii) By a duly ordained, commissioned, or licensed minister of a
- church in the exercise of his ministry or by a member of a religious 33
- 34 order in the exercise of duties required by such order;
- (iii) Prior to January 1, 1978, in the employ of a school which is not 35
- an institution of higher education, and after December 31, 1977, in the 36
- employ of a governmental entity referred to in R.S.43:21-19 (i) (1) 37
- 38 (B), if such service is performed by an individual in the exercise of
- 39 duties
- 40 (aa) as an elected official;
- 41 (bb) as a member of a legislative body, or a member of the
- judiciary, of a state or political subdivision; 42
- (cc) as a member of the State National Guard or Air National 43
- 44 Guard;
- 45 (dd) as an employee serving on a temporary basis in case of fire,
- storm, snow, earthquake, flood or similar emergency; 46

1 (ee) in a position which, under or pursuant to the laws of this State, 2 is designated as a major nontenured policy making or advisory 3 position, or a policy making or advisory position, the performance of 4 the duties of which ordinarily does not require more than eight hours 5 per week; or

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- (iv) By an individual receiving rehabilitation or remunerative work in a facility conducted for the purpose of carrying out a program of rehabilitation of individuals whose earning capacity is impaired by age or physical or mental deficiency or injury or providing remunerative work for individuals who because of their impaired physical or mental capacity cannot be readily absorbed in the competitive labor market;
- 12 (v) By an individual receiving work-relief or work-training as part of an unemployment work-relief or work-training program assisted in whole or in part by any federal agency or an agency of a state or political subdivision thereof; or
  - (vi) Prior to January 1, 1978, for a hospital in a State prison or other State correctional institution by an inmate of the prison or correctional institution and after December 31, 1977, by an inmate of a custodial or penal institution.
- 20 (E) The term "employment" shall include the services of an 21 individual who is a citizen of the United States, performed outside the 22 United States after December 31, 1971 (except in Canada and in the 23 case of the Virgin Islands, after December 31, 1971) and prior to 24 January 1 of the year following the year in which the U.S. Secretary 25 of Labor approves the unemployment compensation law of the Virgin 26 Islands, under section 3304 (a) of the Internal Revenue Code of 1986 27 (26 U.S.C. s.3304 (a)) in the employ of an American employer (other than the service which is deemed employment under the provisions of 28 29 R.S.43:21-19 (i) (2) or (5) [of ] or the parallel provisions of another state's unemployment compensation law), if 30
  - (i) The American employer's principal place of business in the United States is located in this State; or
  - (ii) The American employer has no place of business in the United States, but (I) the American employer is an individual who is a resident of this State; or (II) the American employer is a corporation which is organized under the laws of this State; or (III) the American employer is a partnership or trust and the number of partners or trustees who are residents of this State is greater than the number who are residents of another state; or
- 40 (iii) None of the criteria of divisions (i) and (ii) of this subparagraph 41 (E) is met but the American employer has elected to become an employer subject to the "unemployment compensation law" 42 43 (R.S.43:21-1 et seq.) in this State, or the American employer having 44 failed to elect to become an employer in any state, the individual has 45 filed a claim for benefits, based on such service, under the law of this State;

- 1 (iv) An "American employer," for the purposes of this subparagraph
  2 (E), means (I) an individual who is a resident of the United States; or
  3 (II) a partnership, if two-thirds or more of the partners are residents
  4 of the United States; or (III) a trust, if all the trustees are residents of
  5 the United States; or (IV) a corporation organized under the laws of
  6 the United States or of any state.
- (F) Notwithstanding R.S.43:21-19 (i) (2), all service performed after January 1, 1972 by an officer or member of the crew of an American vessel or American aircraft on or in connection with such vessel or aircraft, if the operating office from which the operations of such vessel or aircraft operating within, or within and without, the United States are ordinarily and regularly supervised, managed, directed, and controlled, is within this State.

- (G) Notwithstanding any other provision of this subsection, service in this State with respect to which the taxes required to be paid under any federal law imposing a tax against which credit may be taken for contributions required to be paid into a state unemployment fund or which as a condition for full tax credit against the tax imposed by the Federal Unemployment Tax Act is required to be covered under the "unemployment compensation law" (R.S.43:21-1 et seq.).
- (H) The term "United States" when used in a geographical sense in subsection R.S.43:21-19 (i) includes the states, the District of Columbia, the Commonwealth of Puerto Rico and, effective on the day after the day on which the U.S. Secretary of Labor approves for the first time under section 3304 (a) of the Internal Revenue Code of 1986 (26 U.S.C. s.3304 (a)) an unemployment compensation law submitted to the Secretary by the Virgin Islands for such approval, the Virgin Islands.
- (I) (i) Service performed after December 31, 1977 in agricultural labor in a calendar year for an entity which is an employer as defined in the "unemployment compensation law," (R.S.43:21-1 et seq.) as of January 1 of such year; or for an employing unit which
- (aa) during any calendar quarter in either the current or the preceding calendar year paid remuneration in cash of \$20,000.00 or more for individuals employed in agricultural labor, or
- (bb) for some portion of a day in each of 20 different calendar weeks, whether or not such weeks were consecutive, in either the current or the preceding calendar year, employed in agricultural labor 10 or more individuals, regardless of whether they were employed at the same moment in time.
- 41 (ii) for the purposes of this subsection any individual who is a 42 member of a crew furnished by a crew leader to perform service in 43 agricultural labor for any other entity shall be treated as an employee 44 of such crew leader
- 45 (aa) if such crew leader holds a certification of registration under 46 the Migrant and Seasonal Agricultural Worker Protection Act,

- 1 Pub.L.97-470 (29 U.S.C. s.1801 et seq.), or P.L.1971, c.192
- 2 (C.34:8A-7 et seq.); or substantially all the members of such crew
- 3 operate or maintain tractors, mechanized harvesting or cropdusting
- 4 equipment, or any other mechanized equipment, which is provided by
- 5 such crew leader; and

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- 6 (bb) if such individual is not an employee of such other person for whom services were performed.
- 8 (iii) For the purposes of subparagraph (I) (i) in the case of any 9 individual who is furnished by a crew leader to perform service in 10 agricultural labor or any other entity and who is not treated as an 11 employee of such crew leader under (I) (ii)
  - (aa) such other entity and not the crew leader shall be treated as the employer of such individual; and
    - (bb) such other entity shall be treated as having paid cash remuneration to such individual in an amount equal to the amount of cash remuneration paid to such individual by the crew leader (either on his own behalf or on behalf of such other entity) for the service in agricultural labor performed for such other entity.
  - (iv) For the purpose of subparagraph (I) [(i)](ii), the term "crew leader" means an individual who
- 21 (aa) furnishes individuals to perform service in agricultural labor for 22 any other entity;
  - (bb) pays (either on his own behalf or on behalf of such other entity) the individuals so furnished by him for the service in agricultural labor performed by them; and
  - (cc) has not entered into a written agreement with such other entity under which such individual is designated as an employee of such other entity.
  - (J) Domestic service after December 31, 1977 performed in the private home of an employing unit which paid cash remuneration of \$1,000.00 or more to one or more individuals for such domestic service in any calendar quarter in the current or preceding calendar year.
  - (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
- 37 (B) The service is not localized in any state but some of the service 38 is performed in this State, and (i) the base of operations, or, if there is 39 no base of operations, then the place from which such service is 40 directed or controlled, is in this State; or (ii) the base of operations or 41 place from which such service is directed or controlled is not in any 42 state in which some part of the service is performed, but the 43 individual's residence is in this State.
- 44 (3) Services performed within this State but not covered under 45 paragraph (2) of this subsection shall be deemed to be employment 46 subject to this chapter (R.S.43:21-1 et seq.) if contributions are not

- 1 required and paid with respect to such services under an 2 unemployment compensation law of any other state or of the federal 3 government.
- 4 (4) Services not covered under paragraph (2) of this subsection and 5 performed entirely without this State, with respect to no part of which 6 contributions are required and paid under an unemployment 7 compensation law of any other state or of the federal government, 8 shall be deemed to be employment subject to this chapter (R.S.43:21-1 9 et seq.) if the individual performing such services is a resident of this 10 State and the employing unit for whom such services are performed 11 files with the division an election that the entire service of such 12 individual shall be deemed to be employment subject to this chapter 13 (R.S.43:21-1 et seq.).
  - (5) Service shall be deemed to be localized within a state if:
  - (A) The service is performed entirely within such state; or

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- (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 (R.S.43:21-1 et seq.) 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.
- 32 (7) Provided that such services are also exempt under the Federal 33 Unemployment Tax Act, as amended, or that contributions with 34 respect to such services are not required to be paid into a state 35 unemployment fund as a condition for a tax offset credit against the 36 tax imposed by the Federal Unemployment Tax Act, as amended, the 37 term "employment" shall not include:
  - (A) Agricultural labor performed prior to January 1, 1978; and after December 31, 1977, only if performed in a calendar year for an entity which is not an employer as defined in the "unemployment compensation law," (R.S.43:21-1 et seq.) as of January 1 of such calendar year; or unless performed for an employing unit which
- 43 (i) during a calendar quarter in either the current or the preceding 44 calendar year paid remuneration in cash of \$20,000.00 or more to 45 individuals employed in agricultural labor, or
- 46 (ii) for some portion of a day in each of 20 different calendar

- 1 weeks, whether or not such weeks were consecutive, in either the
- 2 current or the preceding calendar year, employed in agricultural labor
- 3 10 or more individuals, regardless of whether they were employed at
- 4 the same moment in time;

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- 5 (B) Domestic service in a private home performed prior to January
- 6 1, 1978; and after December 31, 1977, unless performed in the private
- 7 home of an employing unit which paid cash remuneration of \$1,000.00
- 8 or more to one or more individuals for such domestic service in any
- 9 calendar quarter in the current or preceding calendar year;
  - (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 18 in the employ of his father or mother;
  - (D) Service performed prior to January 1, 1978, in the employ of this State or of any political subdivision thereof or of any instrumentality of this State or its political subdivisions, except as provided in R.S.43:21-19 (i) (1) (B) above, and service in the employ of the South Jersey Port Corporation or its successors;
  - (E) Service performed in the employ of any other state or its political subdivisions or of an instrumentality of any other state or states or their political subdivisions to the extent that such instrumentality is with respect to such service exempt under the Constitution of the United States from the tax imposed under the Federal Unemployment Tax Act, as amended, except as provided in R.S.43:21-19 (i) (1) (B) above;
- 25 (F) Service performed in the employ of the United States 26 Government or of any instrumentality of the United States except 27 under the Constitution of the United States from the contributions 28 imposed by the "unemployment compensation law," except that to the 29 extent that the Congress of the United States shall permit states to 30 require any instrumentalities of the United States to make payments 31 into an unemployment fund under a state unemployment compensation 32 law, all of the provisions of this act shall be applicable to such 33 instrumentalities, and to service performed for such instrumentalities, 34 in the same manner, to the same extent and on the same terms as to all other employers, employing units, individuals and services; provided 35 that if this State shall not be certified for any year by the Secretary of 36 37 Labor of the United States under section 3304 of the federal Internal 38 Revenue Code of 1986 (26 U.S.C. s.3304), the payments required of 39 such instrumentalities with respect to such year shall be refunded by 40 the division from the fund in the same manner and within the same 41 period as is provided in R.S.43:21-14 (f) with respect to contributions 42 erroneously paid to or collected by the division;
  - (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;

- 3 (H) Services performed as a member of the board of directors, a 4 board of trustees, a board of managers, or a committee of any bank, 5 building and loan, or savings and loan association, incorporated or 6 organized under the laws of this State or of the United States, where 7 such services do not constitute the principal employment of the 8 individual;
  - (I) Service with respect to which unemployment insurance is payable under an unemployment insurance program established by an Act of Congress;

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- (J) Service performed by agents of mutual fund brokers or dealers in the sale of mutual funds or other securities, by agents of insurance companies, exclusive of industrial insurance agents or by agents of investment companies, if the compensation to such agents for such services is 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 performed for or in behalf of the owner or operator of any theatre, 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 after January 1, 1973 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 \$1,000.00 in a calendar year;
- 35 (O) Services performed in the sale or distribution of merchandise 36 by home-to-home salespersons or in-the-home demonstrators whose 37 remuneration consists wholly of commissions or commissions and 38 bonuses;
- 39 (P) Service performed in the employ of a foreign government, 40 including service as a consular, nondiplomatic representative, or other 41 officer or employee;
- 42 (Q) Service performed in the employ of an instrumentality wholly 43 owned by a foreign government if (i) the service is of a character 44 similar to that performed in foreign countries by employees of the 45 United States Government or of an instrumentality thereof, and (ii) the 46 division finds that the United States Secretary of State has certified to

the United States Secretary of the Treasury that the foreign government, with respect to whose instrumentality exemption is claimed, grants an equivalent exemption with respect to similar services performed in the foreign country by employees of the United States Government and of instrumentalities thereof;

- (R) Service in the employ of an international organization entitled to enjoy the privileges, exemptions and immunities under the International Organizations Immunities Act (22 U.S.C. s.288 et seq.);
- (S) Service covered by an election duly approved by an agency charged with the administration of any other state or federal unemployment compensation or employment security law, in accordance with an arrangement pursuant to R.S.43:21-21 during the effective period of such election;
- (T) Service performed in the employ of a school, college, or university if such service is performed (i) by a student enrolled at such school, college, or university on a full-time basis in an educational program or completing such educational program leading to a degree at any of the severally recognized levels, or (ii) by the spouse of such a student, if such spouse is advised at the time such spouse commences to perform such service that (I) the employment of such spouse to perform such service is provided under a program to provide financial assistance to such student by such school, college, or university, and (II) such employment will not be covered by any program of unemployment insurance;
- (U) Service performed by an individual who is enrolled at a nonprofit or public educational institution which normally maintains a regular faculty and curriculum and normally has a regularly organized body of students in attendance at the place where its educational activities are carried on, as a student in a full-time program, taken for credit at such institution, which combines academic instruction with work experience, if such service is an integral part of such program, and such institution has so certified to the employer, except that this subparagraph shall not apply to service performed in a program established for or on behalf of an employer or group of employers;
- (V) Service performed in the employ of a hospital, if such service is performed by a patient of the hospital; service performed as a student nurse in the employ of a hospital or a nurses' training school by an individual who is enrolled and regularly attending classes in a nurses' training school approved under the laws of this State; and service performed as an intern in the employ of a hospital by an individual who has completed a four-year course in a medical school approved pursuant to the laws of this State;
- (W) Services performed after the effective date of this amendatory act by agents of mutual benefit associations if the compensation to such agents for such services is wholly on a commission basis;
- (X) Services performed by operators of motor vehicles weighing

- 1 18,000 pounds or more, licensed for commercial use and used for the
- 2 highway movement of motor freight, who own their equipment or who
- 3 lease or finance the purchase of their equipment through an entity
- 4 which is not owned or controlled directly or indirectly by the entity for
- 5 which the services were performed and who were compensated by
- 6 receiving a percentage of the gross revenue generated by the
- 7 transportation move or by a schedule of payment based on the distance
- 8 and weight of the transportation move;

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- (Y) Services performed by a certified shorthand reporter certified pursuant to P.L.1940, c.175 (C.45:15B-1 et seq.), provided to a third party by the reporter who is referred to the third party pursuant to an agreement with another certified shorthand reporter or shorthand reporting service, on a freelance basis, compensation for which is based upon a fee per transcript page, flat attendance fee, or other flat minimum fee, or combination thereof, set forth in the agreement;
- (Z) Services performed, using facilities provided by a travel agent, by a person, commonly known as an outside travel agent, who acts as an independent contractor, is paid on a commission basis, sets his own work schedule and receives no benefits, sick leave, vacation or other leave from the travel agent owning the facilities.
  - (8) If one-half or more of the services in any pay period performed by an individual for an employing unit constitutes employment, all the services of such individual shall be deemed to be employment; but if more than one-half of the service in any pay period performed by an individual for an employing unit does not constitute employment, then none of the service of such individual shall be deemed to be employment. As used in this paragraph, the term "pay period" means a period of not more than 31 consecutive days for which a payment for service is ordinarily made by an employing unit to individuals in its employ.
  - (9) Services performed by the owner of a limousine franchise (franchisee) shall not be deemed to be employment subject to the "unemployment compensation law," R.S.43:21-1 et seq., with regard to the franchisor if:
    - (A) The limousine franchisee is incorporated;
- 36 (B) The franchisee is subject to regulation by the Interstate 37 Commerce Commission;
  - (C) The limousine franchise exists pursuant to a written franchise arrangement between the franchisee and the franchisor as defined by section 3 of P.L.1971, c.356 (C.56:10-3); and
- 41 (D) The franchisee registers with the Department of Labor and 42 receives an employer registration number.
- (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.
- 46 (k) (Deleted by amendment, P.L.1984, c.24.)

- (1) "State" includes, in addition to the states of the United States
   of America, the District of Columbia, the Virgin Islands and Puerto
   Rico.
- 4 (m) "Unemployment."

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- 5 (1) An individual shall be deemed "unemployed" for any week 6 during which:
- 7 (A) The individual is not engaged in full-time work and with respect 8 to which his remuneration is less than his weekly benefit rate, including 9 any week during which he is on vacation without pay; provided such 10 vacation is not the result of the individual's voluntary action, except 11 that for benefit years commencing on or after July 1, 1984, an officer 12 of a corporation, or a person who has more than a 5% equitable or 13 debt interest in the corporation, whose claim for benefits is based on 14 wages with that corporation shall not be deemed to be unemployed in 15 any week during the individual's term of office or ownership in the corporation; or 16
  - (B) The individual is eligible for and receiving a self-employment assistance allowance pursuant to the requirements of P.L.1995, c.394 (C.43:21-67 et al.).
  - (2) The term "remuneration" with respect to any individual for benefit years commencing on or after July 1, 1961, and as used in this subsection, shall include only that part of the same which in any week exceeds 20% of his weekly benefit rate (fractional parts of a dollar omitted) or \$5.00, whichever is the larger.
  - (3) An individual's week of unemployment shall be deemed to commence only after the individual has filed a claim at an unemployment insurance claims 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 (R.S.43:21-1 et seq.), from which administrative expenses under this chapter (R.S.43:21-1 et seq.) shall be paid.
- (o) "Wages" means remuneration paid by employers for 33 34 employment. If a worker receives gratuities regularly in the course of his employment from other than his employer, his "wages" shall also 35 include the gratuities so received, if reported in writing to his 36 37 employer in accordance with regulations of the division, and if not so 38 reported, his "wages" shall be determined in accordance with the 39 minimum wage rates prescribed under any labor law or regulation of 40 this State or of the United States, or the amount of remuneration 41 actually received by the employee from his employer, whichever is the 42 higher.
- (p) "Remuneration" means all compensation for personal services, including commission and bonuses and the cash value of all compensation in any medium other than cash.
- 46 (q) "Week" means for benefit years commencing on or after

- October 1, 1984, the calendar week ending at midnight Saturday, or as the division may by regulation prescribe.
- 3 (r) "Calendar quarter" means the period of three consecutive 4 calendar months ending March 31, June 30, September 30, or 5 December 31.
- 6 (s) "Investment company" means any company as defined in subsection a. of section 1 of P.L.1938, c.322 (C.17:16A-1).
- 8 (t) (1) ["Base week" for a benefit year commencing on or after 9 October 1, 1985 and before January 1, 1996 means any calendar week 10 of an individual's base year during which the individual earned in employment from an employer remuneration equal to not less than 11 12 20% of the Statewide average weekly remuneration defined in 13 subsection (c) of R.S.43:21-3 which shall be adjusted to the next 14 higher multiple of \$1.00 if not already a multiple thereof; provided if 15 in any calendar week an individual is in employment with more than one employer, he may in such calendar week establish a base week 16 17 with respect to each such employer from whom the individual earns 18 remuneration equal to not less than the amount defined in this 19 paragraph (1) during such week.] (Deleted by amendment, P.L. 20
  - (2) "Base week," <sup>1</sup>[for a benefit year] <sup>1</sup> commencing on or after January 1, 1996 and before January <sup>1</sup>[7,] 1 2001, means:

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- (A) Any calendar week <sup>1</sup>[of an individual's base year] during which the individual earned in employment from an employer remuneration not less than an amount which is 20% of the Statewide average weekly remuneration defined in subsection (c) of R.S.43:21-3 which amount shall be adjusted to the next higher multiple of \$1.00 if not already a multiple thereof, except that if in any calendar week an individual subject to this subparagraph (A) is in employment with more than one employer, the individual may in that calendar week establish a base week with respect to each of the employers from whom the individual earns remuneration equal to not less than the amount defined in this subparagraph (A) during that week; or
- 34 (B) If the individual does not establish in his base year 20 or more 35 base weeks as defined in subparagraph (A) of this paragraph (2), any 36 calendar week of an individual's base year during which the individual 37 earned in employment from an employer remuneration not less than an 38 amount 20 times the minimum wage in effect pursuant to section 5 of 39 P.L.1966, c.113 (C.34:11-56a4) on October 1 of the calendar year 40 preceding the calendar year in which the benefit year commences, which amount shall be adjusted to the next higher multiple of \$1.00 if 41 42 not already a multiple thereof, except that if in any calendar week an 43 individual subject to this subparagraph (B) is in employment with more 44 than one employer, the individual may in that calendar week establish 45 a base week with respect to each of the employers from whom the 46 individual earns remuneration not less than the amount defined in this

1 subparagraph (B) during that week.

(3) "Base week," <sup>1</sup>[for a benefit year ] <sup>1</sup> commencing on or after January <sup>1</sup>[7, ] 1<sup>1</sup> 2001, means any calendar week <sup>1</sup>[of an individual's base year ] <sup>1</sup> during which the individual earned in employment from an employer remuneration not less than an amount 20 times the minimum wage in effect pursuant to section 5 of P.L.1966, c.113 (C.34:11-56a4) on October 1 of the calendar year preceding the calendar year in which the benefit year commences, which amount shall be adjusted to the next higher multiple of \$1.00 if not already a multiple thereof, except that if in any calendar week an individual subject to this paragraph (3) is in employment with more than one employer, the individual may in that calendar week establish a base week with respect to each of the employers from whom the individual earns remuneration equal to not less than the amount defined in this paragraph (3) during that week.

(u) "Average weekly wage" means the amount derived by dividing an individual's total wages received during his base year base weeks (as defined in subsection (t) of this section) from that most recent base year employer with whom he has established at least 20 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 20 base weeks, then such individual's average weekly wage shall be computed as if all of his base week wages were received from one employer and as if all his base weeks of employment had been performed in the employ of one employer.

For the purpose of computing the average weekly wage, the monetary alternative in subparagraph (B) of paragraph (2) of subsection (e) of R.S.43:21-4 shall only apply in those instances where the individual did not have at least 20 base weeks in the base year. For benefit years commencing on or after July 1, 1986, "average weekly wage" means the amount derived by dividing an individual's total base year wages by the number of base weeks worked by the individual during the base year; provided that for the purpose of computing the average weekly wage, the maximum number of base weeks used in the divisor shall be 52.

(v) "Initial determination" means, subject to the provisions of R.S.43:21-6(b)(2) 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. For benefit years commencing prior to July 1, 1986, subject to the provisions of R.S.43:21-3(d)(3), if an individual has been in employment in his base year with more than one 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

- 1 base year of an individual on which he performed services in 2 employment for a given employer.
- 3 (x) "Most recent base year employer" means that employer with 4 whom the individual most recently, in point of time, performed service in employment in the base year. 5
  - (y) (1) "Educational institution" means any public or other nonprofit institution (including an institution of higher education):
- 8 (A) In which participants, trainees, or students are offered an 9 organized course of study or training designed to transfer to them 10 knowledge, skills, information, doctrines, attitudes or abilities from, 11 by or under the guidance of an instructor [(s)] or teacher [(s)];
  - (B) Which is approved, licensed or issued a permit to operate as a school by the State Department of Education or other government agency that is authorized within the State to approve, license or issue a permit for the operation of a school; and
  - (C) Which offers courses of study or training which may be academic, technical, trade, or preparation for gainful employment in a recognized occupation.
- (2) "Institution of higher education" means an educational 19 20 institution which:
- (A) Admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such 23 a certificate;
  - (B) Is legally authorized in this State to provide a program of education beyond high school;
  - (C) Provides an educational program for which it awards a bachelor's or higher degree, or provides a program which is acceptable for full credit toward such a degree, a program of post-graduate or post-doctoral studies, or a program of training to prepare students for gainful employment in a recognized occupation; and
    - (D) Is a public or other nonprofit institution.
- 32 Notwithstanding any of the foregoing provisions of this subsection, 33 all colleges and universities in this State are institutions of higher 34 education for purposes of this section.
- 35 (z) "Hospital" means an institution which has been licensed, certified or approved under the law of this State as a hospital. 36
- 37 (cf: P.L.1995, c.394, s.9)

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- 39 3. Section 3 of P.L.1948, c.110 (C.43:21-27) is amended to read 40 as follows:
  - 3. As used in this act, unless the context clearly requires otherwise:
- (a)(1) "Covered employer" means any individual or type of 43 organization, including any partnership, association, trust, estate,
- 44 joint-stock company, insurance company or corporation, whether
- 45 domestic or foreign, or the receiver, trustee in bankruptcy, trustee or
- successor thereof, or the legal representative of a deceased person, 46

- 1 who is an employer subject to the chapter to which this act is a
- 2 supplement, designated as the [Unemployment Compensation Law]
- 3 "unemployment compensation law" (R.S. 43:21-1 et seq.), except the
- 4 State, its political subdivisions, and any instrumentality of the State
- 5 unless such governmental entity elects to become a covered employer
- under the [Temporary Disability Benefits Law] "Temporary Disability 6
- 7 Benefits Law"; provided, however, that commencing with the effective
- 8 date of this act the State of New Jersey, including Rutgers, The State
- 9 University, the University of Medicine and Dentistry of New Jersey
- and the New Jersey Institute of Technology, shall be deemed a 10
- covered employer, as defined herein. 11
  - (2) Any governmental entity or instrumentality which is an employer under R.S. 43:21-19(h)(5) may elect to become a "covered employer" under this subsection beginning with the date on which its coverage under subsection 19(h)(5) begins or as of January 1 of any year thereafter by filing written notice of such election with the division within at least 30 days of the effective date. Such election shall remain in effect for at least two full calendar years and may be terminated as of January 1 of any year thereafter by filing with the division a written notice of termination at least 30 days prior to the
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- 21 termination date.

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- 22 (b) "Covered individual" means any person who is in employment, 23 as defined in the chapter to which this act is a supplement, for which
- 24 [he] the individual is entitled to remuneration from a covered
- employer, or who has been out of such employment for less than two 25
- 26 weeks. However, a "covered individual" who is employed by the
- 27 State of New Jersey, including Rutgers, The State University, the
- 28 University of Medicine and Dentistry of New Jersey and the New
- 29 Jersey Institute of Technology, or by any governmental entity or
- 30 instrumentality which elects to [becoming] become a "covered
- 31 employer" pursuant to this amendatory act, shall not be eligible to
- 32 receive any benefits under the [Temporary Disability Benefits Law ]
- "Temporary Disability Benefits Law" until such individual has 33
- 34 exhausted all sick leave accumulated as an employee in the classified
- 35 service of the State or accumulated under terms and conditions similar
- to classified employees or accumulated under the terms and 36
- 37 conditions pursuant to the laws of this State or as the result of a
- 38 negotiated contract with any governmental entity or instrumentality
- which elects to become a "covered employer." 39
- 40 "Covered individual" shall not mean any member of the Division of State Police in the Department of Law and Public Safety. 41
- 42 "Division" "commission" means the Division of 43 Unemployment and Temporary Disability Insurance of the Department
- 44 of Labor, and any transaction or exercise of authority by the director
- of the division shall be deemed to be performed by the division. 46 (d) "Day" shall mean a full calendar day beginning and ending at

1 midnight.

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- 2 (e) "Disability" shall mean such disability as is compensable under 3 section 5 of this act.
  - (f) "Disability benefits" shall mean any cash payments which are payable to a covered individual pursuant to this act.
- 6 (g) "Period of disability" with respect to any individual shall mean 7 the entire period of time during which [he] the individual is 8 continuously and totally unable to perform the duties of his 9 employment, except that two periods of disability due to the same or 10 related cause or condition and separated by a period of not more than 11 14 days shall be considered as one continuous period of disability; 12 provided the individual has earned wages during such 14-day period 13 with the employer who was [his] the individual's last employer 14 immediately preceding the first period of disability.
  - (h) "Wages" shall mean all compensation payable by covered employers to covered individuals for personal services, including commissions and bonuses and the cash value of all compensation payable in any medium other than cash.
  - (i)(1) ["Base week" with respect to periods of disability commencing prior to October 1, 1984, means any calendar week during which an individual earned not less than \$15.00 from a covered employer, in employment as defined in the chapter to which this act is a supplement.] (Deleted by amendment, P.L. , c. )
- 24 (2) ["Base week" with respect to periods of disability commencing 25 on or after October 1, 1984, and prior to October 1, 1985, means any 26 calendar week during which an individual earned in employment from 27 a covered employer remuneration equal to not less than 15% of the Statewide average weekly remuneration as determined under 28 29 subsection (c) of R.S. 43:21-3, which shall be adjusted to the next 30 higher multiple of \$1.00 if not already a multiple thereof.] (Deleted by amendment, P.L., c.) 31
  - (3) "Base week" with respect to periods of disability commencing on or after October 1, 1985 and before January 1, 2001, means any calendar week during which an individual earned in employment from a covered employer remuneration equal to not less than 20% of the Statewide average weekly remuneration as determined under subsection (c) of R.S.43:21-3, which shall be adjusted to the next higher multiple of \$1.00 if not already a multiple thereof.
- (4) "Base week" with respect to periods of disability commencing 39 40 on or after January 1, 2001, means any calendar week of an 41 individual's base year during which the individual earned in 42 employment from a covered employer remuneration not less than an 43 amount 20 times the minimum wage in effect pursuant to section 5 of 44 P.L.1966, c.113 (C.34:11-56a4) on October 1 of the calendar year 45 preceding the calendar year in which the benefit year commences, which amount shall be adjusted to the next higher multiple of \$1.00 if 46

1 <u>not already a multiple thereof, except that if in any calendar week an</u>

- 2 <u>individual subject to this paragraph is in employment with more than</u>
- 3 one employer, the individual may in that calendar week establish a base
- 4 week with respect to each of the employers from whom the individual
- 5 <u>earns remuneration equal to not less than the amount defined in this</u>
- 6 paragraph during that week.
- 7 (j) "Average weekly wage" means the amount derived by dividing 8 a covered individual's total wages earned from [his] the individual's 9 most recent covered employer during the base weeks in the eight 10 calendar weeks immediately preceding the calendar week in which 11 disability commenced, by the number of such base weeks. If this 12 computation yields a result which is less than the individual's average 13 weekly earnings in employment, as defined in the chapter to which this 14 act is a supplement, with all covered employers during the base weeks in such eight calendar weeks, then the average weekly wage shall be 15 computed on the basis of earnings from all covered employers during 16 17 the eight base weeks immediately preceding the week in which the 18 disability commenced.
- 19 (cf: P.L.1984, c.104, s.1)
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- 4. Section 17 of P.L.1948, c.110 (C.43:21-41) is amended to read as follows:
  - 17. (a) (Deleted by amendment, P.L.1975, c.355.)
  - (b) [With respect to periods of disability commencing on or after January 1, 1953, and prior to January 1, 1976, no individual shall be entitled to benefits under this article unless he has established at least 17 base weeks within the 52 calendar weeks preceding the week in which his period of disability commenced, nor unless he shall duly file notice and proof of claim, and submit to such reasonable examinations as are required by this act and the rules and regulations of the division.] (Deleted by amendment, P.L., c.)
  - (c) [With respect to periods of disability commencing on or after January 1, 1976, and prior to October 1, 1984, no individual shall be entitled to benefits under this article unless he has established at least 17 base weeks within the 52 calendar weeks preceding the week in which his period of disability commenced, or, in the alternative, has earned \$2,200.00 or more within the 52 calendar weeks preceding the week in which his period of disability commenced, nor unless he shall duly file notice and proof of claim, and submit to such reasonable examinations as are required by this act and the rules and regulations of the division.
- Notwithstanding any provisions of this section to the contrary, the provision of subsection 17(c) shall apply to any claim pending before the division or the courts on the effective date of this act.] (Deleted by amendment, P.L., c.)
  - (d) With respect to periods of disability commencing on or after

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October 1, 1984 and before January 1, 2001, no individual shall be 1 2 entitled to benefits under this act unless [he] the individual has 3 established at least 20 base weeks within the 52 calendar weeks 4 preceding the week in which [his] the individual's period of disability 5 commenced, or, in the alternative, the individual has earned twelve 6 times the Statewide average weekly remuneration paid to workers, as 7 determined under subsection (c) of R.S. 43:21-3, raised to the next 8 higher multiple of \$100.00, if not already a multiple thereof, or more 9 within the 52 calendar weeks preceding the week in which [his] the 10 period of disability commenced, nor shall the individual be entitled to 11 benefits unless he shall duly file notice and proof of claim, and submit 12 to such reasonable examinations as are required by this act and the 13 rules and regulations of the division. 14 (2) With respect to periods of disability commencing on or after 15 January 1, 2001, no individual shall be entitled to benefits under this act unless the individual has, within the 52 calendar weeks preceding 16 17 the week in which the individual's period of disability commenced, 18 established at least 20 base weeks or earned not less than 1,000 times 19 the minimum wage in effect pursuant to section 5 of P.L.1996, c.113 20 (C.34:11-56a4) on October 1 of the calendar year preceding the 21 calendar year in which the disability commences, which amount shall 22 be adjusted to the next higher multiple of \$100.00, if not already a

24 (cf: P.L.1984, c.104, s.4)

multiple thereof.

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5. This act shall take effect immediately.

### SENATE COMMERCE COMMITTEE

### STATEMENT TO

# [First Reprint] **ASSEMBLY, No. 2614**

## STATE OF NEW JERSEY

DATED: DECEMBER 14, 2000

The Senate Commerce Committee reports favorably Assembly Bill No. 2614 (1R).

This bill provides uniform standards regarding the minimum earnings required to be eligible for unemployment insurance (UI) benefits and temporary disability insurance (TDI) benefits, and simplifies the standards for UI benefits.

Currently, a laid-off worker may qualify for UI benefits by earning, during the worker's base year, at least 12 times the Statewide average weekly wage (SAWW) for all workers or 1,000 times the State minimum hourly wage, or by earning, during each of at least 20 "base weeks," at least 20% of the SAWW or 20 times the minimum wage. This bill makes the UI eligibility determination process for employers and employees simpler by using only the standards based on multiples of the minimum wage and omitting the standards based on the SAWW. The bill also changes the minimum earnings during a worker's base year for TDI eligibility from 12 times the SAWW for all workers to 1000 times the State minimum wage, and changes the minimum earnings during a worker's base week for TDI eligibility from 20% of the SAWW to 20 times the minimum wage, thus making the minimum earnings requirements for UI and TDI benefit eligibility identical.

The bill's requirements apply only to base weeks occurring after the effective date of the bill, thus avoiding the added administrative time and cost of collecting additional information about those earlier weeks.

### P.L. 2001, CHAPTER 17, approved January 29, 2001 Assembly, No. 2614 (First Reprint)

AN ACT concerning eligibility for unemployment compensation and temporary disability benefits and amending R.S.43:21-4, R.S.43:21-19 and P.L.1948, c.110.

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

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- 1. R.S.43:21-4 is amended to read as follows:
- 43:21-4. Benefit eligibility conditions. An unemployed individual shall be eligible to receive benefits with respect to any week only if:
- (a) The individual has filed a claim at an unemployment insurance 11 claims office and thereafter continues to report at an employment 12 13 service office or unemployment insurance claims office, as directed by 14 the division in accordance with such regulations as the division may 15 prescribe, except that the division may, by regulation, waive or alter either or both of the requirements of this subsection as to individuals 16 attached to regular jobs, and as to such other types of cases or 17 18 situations with respect to which the division finds that compliance with 19 such requirements would be oppressive, or would be inconsistent with 20 the purpose of this act; provided that no such regulation shall conflict 21 with subsection (a) of R.S.43:21-3.
  - (b) The individual has made a claim for benefits in accordance with the provisions of subsection (a) of R.S.43:21-6.
  - (c) (1) The individual is able to work, and is available for work, and has demonstrated to be actively seeking work, except as hereinafter provided in this subsection or in subsection (f) of this section.
  - (2) The director may modify the requirement of actively seeking work if such modification of this requirement is warranted by economic conditions.
  - (3) No individual, who is otherwise eligible, shall be deemed ineligible, or unavailable for work, because the individual is on vacation, without pay, during said week, if said vacation is not the result of the individual's own action as distinguished from any collective action of a collective bargaining agent or other action beyond the individual's control.
- 36 (4) (A) Subject to such limitations and conditions as the division 37 may prescribe, an individual, who is otherwise eligible, shall not be 38 deemed unavailable for work or ineligible because the individual is 39 attending a training program approved for the individual by the 40 division to enhance the individual's employment opportunities or

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:

<sup>&</sup>lt;sup>1</sup> Assembly ALA committee amendments adopted October 16, 2000.

- 1 because the individual failed or refused to accept work while attending 2 such program.
- 3 (B) For the purpose of this paragraph (4), any training program 4 shall be regarded as approved by the division for the individual if the 5 program and the individual meet the following requirements:
  - (i) The training is for a labor demand occupation and is likely to enhance the individual's marketable skills and earning power;

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- (ii) The training is provided by a competent and reliable private or public entity approved by the Commissioner of Labor pursuant to the provisions of section 8 of the "1992 New Jersey Employment and Workforce Development Act," P.L.1992, c.43 (C.34:15D-8);
- 12 (iii) The individual can reasonably be expected to complete the 13 program, either during or after the period of benefits;
  - (iv) The training does not include on the job training or other training under which the individual is paid by an employer for work performed by the individual during the time that the individual receives benefits; and
  - (v) The individual enrolls in vocational training, remedial education or a combination of both on a full-time basis.
  - (C) If the requirements of subparagraph (B) of this paragraph (4) are met, the division shall not withhold approval of the training program for the individual for any of the following reasons:
  - (i) The training includes remedial basic skills education necessary for the individual to successfully complete the vocational component of the training;
  - (ii) The training is provided in connection with a program under which the individual may obtain a college degree, including a post-graduate degree;
    - (iii) The length of the training period under the program; or
  - (iv) The lack of a prior guarantee of employment upon completion of the training.
- 32 (D) For the purpose of this paragraph (4), "labor demand 33 occupation" means an occupation for which there is or is likely to be 34 an excess of demand over supply for adequately trained workers, including, but not limited to, an occupation designated as a labor 35 demand occupation by the New Jersey Occupational Information 36 Coordinating Committee pursuant to the provisions of subsection h. 37
- 38 of section 1 of P.L.1987, c.457 (C.34:1A-76) or section 12 of
- 39 P.L.1992, c.43 (C.34:1A-78).
- 40 (5) An unemployed individual, who is otherwise eligible, shall not 41 be deemed unavailable for work or ineligible solely by reason of the individual's attendance before a court in response to a summons for 42 43 service on a jury.
- 44 (6) An unemployed individual, who is otherwise eligible, shall not 45 be deemed unavailable for work or ineligible solely by reason of the 46 individual's attendance at the funeral of an immediate family member,

provided that the duration of the attendance does not extend beyond a two-day period.

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

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- (7) No individual, who is otherwise eligible, shall be deemed ineligible or unavailable for work with respect to any week because, during that week, the individual fails or refuses to accept work while the individual is participating on a full-time basis in self-employment assistance activities authorized by the division, whether or not the individual is receiving a self-employment allowance during that week.
- (8) Any individual who is determined to be likely to exhaust regular benefits and need reemployment services based on information obtained by the worker profiling system shall not be eligible to receive benefits if the individual fails to participate in available reemployment services to which the individual is referred by the division or in similar services, unless the division determines that:
  - (A) The individual has completed the reemployment services; or
- 22 (B) There is justifiable cause for the failure to participate, which 23 include participation in employment and self-employment assistance activities or other activities authorized by 24 25 the division to assist reemployment or enhance the marketable skills 26 and earning power of the individual and which shall include any other 27 circumstance indicated pursuant to this section in which an individual 28 is not required to be available for and actively seeking work to receive 29 benefits.
  - (d) The individual has been totally or partially unemployed for a waiting period of one week in the benefit year which includes that week. When benefits become payable with respect to the third consecutive week next following the waiting period, the individual shall be eligible to receive benefits as appropriate with respect to the waiting period. No week shall be counted as a week of unemployment for the purposes of this subsection:
  - (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 period as provided in this subsection;
- 41 (2) If it has constituted a waiting period week under the 42 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et 43 seq.);
- 44 (3) Unless the individual fulfills the requirements of subsections (a) 45 and (c) of this section;
- 46 (4) If with respect thereto, claimant was disqualified for benefits in

- accordance with the provisions of subsection (d) of R.S.43:21-5. 1
- 2 (e) (1) [With respect to a base year as defined in subsection (c) of
- 3 R.S.43:21-19, the individual has established at least 20 base weeks as
- 4 defined in subsection (t) of R.S.43:21-19, or, in those instances in
- 5 which the individual has not established 20 base weeks, except as
- 6 otherwise provided in paragraph (3) of this subsection, for benefit
- 7 years commencing on or after October 1, 1984 and before January 1,
- 8 1996, the individual has earned 12 times the Statewide average weekly
- 9 remuneration paid to workers, as determined under R.S.43:21-3(c),
- 10 raised to the next higher multiple of \$100.00 if not already a multiple
- 11 thereof, or more in the individual's base year.] (Deleted by
- 12 amendment, P.L., c.
- (2) With respect to benefit years commencing on or after January 13
- 14 1, 1996 and before January 7, 2001, except as otherwise provided in
- 15 paragraph (3) of this subsection, the individual has, during his base
- year as defined in subsection (c) of R.S.43:21-19: 16
- 17 (A) Established at least 20 base weeks as defined in paragraph (2)
- of subsection (t) of R.S.43:21-19; or 18
- 19 (B) If the individual has not met the requirements of subparagraph
- 20 (A) of this paragraph (2), earned remuneration not less than an amount
- 12 times the Statewide average weekly remuneration paid to workers, 21
- 22 as determined under R.S.43:21-3(c), which amount shall be adjusted
- 23 to the next higher multiple of \$100.00 if not already a multiple thereof;
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- 25 (C) If the individual has not met the requirements of subparagraph
- 26 (A) or (B) of this paragraph (2), earned remuneration not less than an
- 27 amount 1,000 times the minimum wage in effect pursuant to section
- 28 5 of P.L.1966, c.113 (C.34:11-56a4) on October 1 of the calendar
- 29 year preceding the calendar year in which the benefit year commences,
- 30 which amount shall be adjusted to the next higher multiple of \$100.00
- 31 if not already a multiple thereof.
- 32 (3) [Notwithstanding] With respect to benefit years commencing
- before January 7, 2001, notwithstanding the provisions of paragraph 33
- [(1) or paragraph] (2) of this subsection, an unemployed individual 34
- 35 claiming benefits on the basis of service performed in the production
- and harvesting of agricultural crops shall, subject to the limitations of 36
- subsection (i) of R.S.43:21-19, be eligible to receive benefits if during 38 his base year, as defined in subsection (c) of R.S.43:21-19, the
- 39 individual:

- 40 (A) Has established at least 20 base weeks as defined in paragraph
- [(1)](2) of subsection (t) of R.S.43:21-19; or 41
- 42 (B) Has earned 12 times the Statewide average weekly
- 43 remuneration paid to workers, as determined under R.S.43:21-3(c),
- 44 raised to the next higher multiple of \$100.00 if not already a multiple
- 45 thereof, or more; or
- 46 (C) Has performed at least 770 hours of service in the production

- 1 and harvesting of agricultural crops.
- 2 (4) With respect to benefit years commencing on or after January
- 3 7, 2001, except as otherwise provided in paragraph (5) of this
- 4 subsection, the individual has, during his base year as defined in
- 5 <u>subsection (c) of R.S.43:21-19:</u>
- 6 (A) Established at least 20 base weeks as defined in <sup>1</sup>[paragraph]
  7 paragraphs (2) and <sup>1</sup> (3) of subsection (t) of R.S.43:21-19; or
- 8 (B) If the individual has not met the requirements of subparagraph
- 9 (A) of this paragraph (4), earned remuneration not less than an amount
- 10 1,000 times the minimum wage in effect pursuant to section 5 of
- 11 <u>P.L.1966, c.113 (C.34:11-56a4) on October 1 of the calendar year</u>
- 12 preceding the calendar year in which the benefit year commences,
- which amount shall be adjusted to the next higher multiple of \$100 if
- 14 <u>not already a multiple thereof.</u>
- 15 (5) With respect to benefit years commencing on or after January
- 16 7, 2001, notwithstanding the provisions of paragraph (4) of this
- 17 <u>subsection, an unemployed individual claiming benefits on the basis of</u>
- 18 service performed in the production and harvesting of agricultural
- 19 crops shall, subject to the limitations of subsection (i) of R.S.43:21-19,
- 20 <u>be eligible to receive benefits if during his base year, as defined in</u>
- 21 <u>subsection (c) of R.S.43:21-19, the individual:</u>
- 22 (A) Has established at least 20 base weeks as defined in
- 23 <sup>1</sup>[paragraph] paragraphs (2) and (3) of subsection (t) of
- 24 R.S.43:21-19; or
- 25 (B) Has earned remuneration not less than an amount 1,000 times
- 26 the minimum wage in effect pursuant to section 5 of P.L.1966, c.113
- 27 (C.34:11-56a4) on October 1 of the calendar year preceding the
- 28 <u>calendar year in which the benefit year commences, which amount</u>
- shall be adjusted to the next higher multiple of \$100 if not already a
   multiple thereof; or
- 31 (C) Has performed at least 770 hours of service in the production
- 32 and harvesting of agricultural crops.
- 33 (6) The individual applying for benefits in any successive benefit
- 34 year has earned at least six times his previous weekly benefit amount
- 35 and has had four weeks of employment since the beginning of the
- 36 immediately preceding benefit year. This provision shall be in addition
- 37 to the earnings requirements specified in paragraph [(1),] (2), [or]
- 38 (3), (4) or (5) of this subsection, as applicable.
- 39 (f) (1) The individual has suffered any accident or sickness not
- 40 compensable under the workers' compensation law, R.S.34:15-1 et
- 41 seq. and resulting in the individual's total disability to perform any
- 42 work for remuneration, and would be eligible to receive benefits under
- 43 this chapter (R.S.43:21-1 et seq.) (without regard to the maximum
- amount of benefits payable during any benefit year) except for the
- 45 inability to work and has furnished notice and proof of claim to the
- 46 division, in accordance with its rules and regulations, and payment is

- 1 not precluded by the provisions of R.S.43:21-3(d); provided, however,
- 2 that benefits paid under this subsection (f) shall be computed on the
- 3 basis of only those base year wages earned by the claimant as a
- 4 "covered individual," as defined in R.S.43:21-27(b); provided further
- 5 that no benefits shall be payable under this subsection to any
- 6 individual:

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- (A) For any period during which such individual is not under the care of a legally licensed physician, dentist, optometrist, podiatrist, practicing psychologist or chiropractor;
  - (B) (Deleted by amendment, P.L.1980, c.90.)
- (C) 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 crime of the first, second or third degree;
- (D) For any week with respect to which or a part of which the individual has received or is seeking benefits under any unemployment compensation or disability benefits law of any other state or of the United States; provided that if the appropriate agency of such other state or the United States finally determines that the individual is not entitled to such benefits, this disqualification shall not apply;
- 20 (E) For any week with respect to which or part of which the individual has received or is seeking disability benefits under the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.);
  - (F) For any period of disability commencing while such individual is a "covered individual," as defined in subsection (b) of section 3 of the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-27).
- 28 (2) Benefit payments under this subsection (f) shall be charged to 29 and paid from the State disability benefits fund established by the 30 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et 31 seq.), and shall not be charged to any employer account in computing 32 any employer's experience rate for contributions payable under this 33 chapter.
  - (g) Benefits based on service in employment defined in subparagraphs (B) and (C) of R.S.43:21-19(i)(1) shall be payable in the same amount and on the terms and subject to the same conditions as benefits payable on the basis of other service subject to the "unemployment compensation law"; except that, notwithstanding any other provisions of the "unemployment compensation law":
- 40 (1) With respect to service performed after December 31, 1977, in 41 an instructional research, or principal administrative capacity for an 42 educational institution, benefits shall not be paid based on such 43 services for any week of unekmployment commencing during the 44 period between two successive academic years, or during a similar 45 period between two regular terms, whether or not successive, or 46 during a period of paid sabbatical leave provided for in the individual's

- contract, to any individual if such individual performs such services in the first of such academic years (or terms) and if there is a contract or a reasonable assurance that such individual will perform services in any such capacity for any educational institution in the second of such academic years or terms;
- (2) With respect to weeks of unemployment beginning after September 3, 1982, on the basis of service performed in any other capacity for an educational institution, benefits shall not be paid on the basis of such services to any individual for any week which commences during a period between two successive academic years or terms if such individual performs such services in the first of such academic years or terms and there is a reasonable assurance that such individual will perform such services in the second of such academic years or terms, except that if benefits are denied to any individual under this paragraph (2) and the individual was not offered an opportunity to perform these services for the educational institution for the second of any academic years or terms, the individual shall be entitled to a retroactive payment of benefits for each week for which the individual filed a timely claim for benefits and for which benefits were denied solely by reason of this clause;
  - (3) With respect to those services described in paragraphs (1) and (2) above, benefits shall not be paid on the basis of such services to any individual for any week which commences during an established and customary vacation period or holiday recess if such individual performs such services in the period immediately before such vacation period or holiday recess, and there is a reasonable assurance that such individual will perform such services in the period immediately following such period or holiday recess;
  - (4) With respect to any services described in paragraphs (1) and (2) above, benefits shall not be paid as specified in paragraphs (1), (2), and (3) above to any individual who performed those services in an educational institution while in the employ of an educational service agency, and for this purpose the term "educational service agency" means a governmental agency or governmental entity which is established and operated exclusively for the purpose of providing those services to one or more educational institutions.
  - (h) Benefits shall not be paid to any individual on the basis of any services, substantially all of which consist of participating in sports or athletic events or training or preparing to so participate, for any week which commences during the period between two successive sports seasons (or similar periods) if such individual performed such services in the first of such seasons (or similar periods) and there is a reasonable assurance that such individual will perform such services in the later of such seasons (or similar periods).
  - (i) (1) Benefits shall not be paid on the basis of services performed by an alien unless such alien is an individual who was lawfully admitted

- 1 for permanent residence at the time the services were performed and
- 2 was lawfully present for the purpose of performing the services or
- 3 otherwise was permanently residing in the United States under color
- 4 of law at the time the services were performed (including an alien who
- 5 is lawfully present in the United States as a result of the application of
- 6 the provisions of [section 203(a)(7) (8 U.S.C. 1153 (a)(7)) or] section
- 7 212(d)(5) (8 U.S.C. s.1182 (d)(5)) of the Immigration and Nationality
- 8 Act (8 U.S.C. s.1101 et seq.)); provided that any modifications of the
- 9 provisions of section 3304(a)(14) of the Federal Unemployment Tax
- 10 Act (26 U.S.C. s.3304 (a)(14)), as provided by Pub.L.94-566, which
- specify other conditions or other effective dates than stated herein for
- 12 the denial of benefits based on services performed by aliens and which
- modifications are required to be implemented under State law as a
- 14 condition for full tax credit against the tax imposed by the Federal
- 15 Unemployment Tax Act, shall be deemed applicable under the
- 16 provisions of this section.
  - (2) Any data or information required of individuals applying for benefits to determine whether benefits are not payable to them because of their alien status shall be uniformly required from all applicants for benefits.
  - (3) In the case of an individual whose application for benefits would otherwise be approved, no determination that benefits to such individual are not payable because of alien status shall be made except upon a preponderance of the evidence.
  - (j) Notwithstanding any other provision of this chapter, the director may, to the extent that it may be deemed efficient and economical, provide for consolidated administration by one or more representatives or deputies of claims made pursuant to subsection (f) of this section with those made pursuant to Article III (State plan) of
- 30 the "Temporary Disability Benefits Law," P.L.1948, c.110
- 31 (C.43:21-25 et seq.).
- 32 (cf: P.L.1995, c.394, s.7)

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- 2. R.S.43:21-19 is amended to read as follows:
- 35 43:21-19. Definitions. As used in this chapter (R.S.43:21-1 et seq.), unless the context clearly requires otherwise:
- 37 (a) (1) "Annual payroll" means the total amount of wages paid 38 during a calendar year (regardless of when earned) by an employer for 39 employment.
- 40 (2) "Average annual payroll" means the average of the annual payrolls of any employer for the last three or five 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 three or five 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 R.S.43:21-7 means the average of the annual payrolls of any employer on which he paid contributions to the State disability benefits fund for the last three or five preceding calendar years, whichever average is higher; provided further that only those wages be included on which employer contributions have been paid on or before January 31 (or the next succeeding day if such January 31 is a Saturday or Sunday) immediately preceding the beginning of the 12-month 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 (R.S.43:21-1 et seq.), with respect to his unemployment.

(c) (1) "Base year" with respect to benefit years commencing on or after July 1, 1986, shall mean the first four of the last five completed calendar quarters immediately preceding an individual's benefit year.

With respect to a benefit year commencing on or after July 1, 1995, if an individual does not have sufficient qualifying weeks or wages in his base year to qualify for benefits, the individual shall have the option of designating that his base year shall be the "alternative base year," which means the last four completed calendar quarters immediately preceding the individual's benefit year; except that, with respect to a benefit year commencing on or after October 1, 1995, if the individual also does not have sufficient qualifying weeks or wages in the last four completed calendar quarters immediately preceding his benefit year to qualify for benefits, "alternative base year" means the last three completed calendar quarters immediately preceding his benefit year and, of the calendar quarter in which the benefit year commences, the portion of the quarter which occurs before the commencing of the benefit year.

The division shall inform the individual of his options under this section as amended by P.L.1995, c.234. If information regarding weeks and wages for the calendar quarter or quarters immediately preceding the benefit year is not available to the division from the regular quarterly reports of wage information and the division is not able to obtain the information using other means pursuant to State or federal law, the division may base the determination of eligibility for benefits on the affidavit of an individual with respect to weeks and wages for that calendar quarter. The individual shall furnish payroll documentation, if available, in support of the affidavit. A determination of benefits based on an alternative base year shall be

adjusted when the quarterly report of wage information from the employer is received if that information causes a change in the determination.

4 (2) With respect to a benefit year commencing on or after June 1, 5 1990 for an individual who immediately preceding the benefit year was subject to a disability compensable under the provisions of the 6 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et 7 8 seq.), "base year" shall mean the first four of the last five completed 9 calendar quarters immediately preceding the individual's period of 10 disability, if the employment held by the individual immediately 11 preceding the period of disability is no longer available at the 12 conclusion of that period and the individual files a valid claim for 13 unemployment benefits after the conclusion of that period. For the purposes of this paragraph, "period of disability" means the period 14 15 defined as a period of disability by section 3 of the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-27). An individual 16 17 who files a claim under the provisions of this paragraph (2) shall not

be regarded as having left work voluntarily for the purposes of

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subsection (a) of R.S.43:21-5.

(3) With respect to a benefit year commencing on or after June 1, 1990 for an individual who immediately preceding the benefit year was subject to a disability compensable under the provisions of the workers' compensation law (chapter 15 of Title 34 of the Revised Statutes), "base year" shall mean the first four of the last five completed calendar quarters immediately preceding the individual's period of disability, if the period of disability was not longer than two years, if the employment held by the individual immediately preceding the period of disability is no longer available at the conclusion of that period and if the individual files a valid claim for unemployment benefits after the conclusion of that period. For the purposes of this paragraph, "period of disability" means the period from the time at which the individual becomes unable to work because of the compensable disability until the time that the individual becomes able to resume work and continue work on a permanent basis. An individual who files a claim under the provisions of this paragraph (3) shall not be regarded as having left work voluntarily for the purposes of subsection (a) of R.S.43:21-5.

(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 R.S.43:21-6 shall be deemed to be a "valid claim" for the purpose of this subsection if (1) he is unemployed for the week in which, or as of which, he files a claim for benefits; and (2) he has fulfilled the

1 conditions imposed by subsection (e) of R.S.43:21-4.

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- 2 (e) (1) "Division" means the Division of Unemployment and 3 Temporary Disability Insurance of the Department of Labor, and any 4 transaction or exercise of authority by the director of the division 5 thereunder, or under this chapter (R.S.43:21-1 et seq.), shall be 6 deemed to be performed by the division.
  - (2) "Controller" means the Office of the Assistant Commissioner for Finance and Controller of the Department of Labor, established by the 1982 Reorganization Plan of the Department of Labor.
  - (f) "Contributions" means the money payments to the State Unemployment Compensation Fund, required by R.S.43:21-7. "Payments in lieu of contributions" means the money payments to the State Unemployment Compensation Fund by employers electing or required to make payments in lieu of contributions, as provided in section 3 or section 4 of P.L.1971, c.346 (C.43:21-7.2 or 43:21-7.3).
- 15 16 (g) "Employing unit" means the State or any of its instrumentalities 17 or any political subdivision thereof or any of its instrumentalities or 18 any instrumentality of more than one of the foregoing or any instrumentality of any of the foregoing and one or more other states 19 20 or political subdivisions or any individual or type of organization, any 21 partnership, association, trust, estate, joint-stock company, insurance 22 company or corporation, whether domestic or foreign, or the receiver, 23 trustee in bankruptcy, trustee or successor thereof, or the legal 24 representative of a deceased person, which has or subsequent to 25 January 1, 1936, had in its employ one or more individuals performing 26 services for it within this State. All individuals performing services 27 within this State for any employing unit which maintains two or more 28 separate establishments within this State shall be deemed to be 29 employed by a single employing unit for all the purposes of this 30 chapter (R.S.43:21-1 et seq.). Each individual employed to perform 31 or to assist in performing the work of any agent or employee of an 32 employing unit shall be deemed to be employed by such employing unit 33 for all the purposes of this chapter (R.S.43:21-1 et seq.), whether such 34 individual was hired or paid directly by such employing unit or by such 35 agent or employee; provided the employing unit had actual or 36 constructive knowledge of the work.
  - (h) "Employer" means:
  - (1) Any employing unit which in either the current or the preceding calendar year paid remuneration for employment in the amount of \$1,000.00 or more;
- 41 (2) Any employing unit (whether or not an employing unit at the 42 time of acquisition) which acquired the organization, trade or business, 43 or substantially all the assets thereof, of another which, at the time of 44 such acquisition, was an employer subject to this chapter (R.S.43:21-1 45 et seq.);
- 46 (3) Any employing unit which acquired the organization, trade or

- business, or substantially all the assets thereof, of another employing 1 2 unit and which, if treated as a single unit with such other employing 3 unit, would be an employer under paragraph (1) of this subsection;
- 4 (4) Any employing unit which together with one or more other 5 employing units is owned or controlled (by legally enforceable means or otherwise), directly or indirectly by the same interests, or which 6 7 owns or controls one or more other employing units (by legally 8 enforceable means or otherwise), and which, if treated as a single unit 9 with such other employing unit or interest, would be an employer 10 under paragraph (1) of this subsection;
- (5) Any employing unit for which service in employment as defined 12 in R.S.43:21-19 (i) (1) (B) (i) is performed after December 31, 1971; and as defined in R.S.43:21-19 (i) (1) (B) (ii) is performed after December 31, 1977;

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- (6) Any employing unit for which service in employment as defined in R.S.43:21-19 (i) (1) (C) is performed after December 31, 1971 and which in either the current or the preceding calendar year paid remuneration for employment in the amount of \$1,000.00 or more;
- 19 (7) Any employing unit not an employer by reason of any other 20 paragraph of this subsection (h) for which, within either the current or 21 preceding calendar year, service is or was performed with respect to 22 which such employing unit is liable for any federal tax against which 23 credit may be taken for contributions required to be paid into a state unemployment fund; or which, as a condition for approval of the 24 "unemployment compensation law" for full tax credit against the tax 25 26 imposed by the Federal Unemployment Tax Act, is required pursuant 27 to such act to be an employer under this chapter (R.S.43:21-1 et seq.);
  - (8) (Deleted by amendment; P.L.1977, c.307.)
- 29 (9) (Deleted by amendment; P.L.1977, c.307.)
- 30 (10) (Deleted by amendment; P.L.1977, c.307.)
- 31 (11) Any employing unit subject to the provisions of the Federal 32 Unemployment Tax Act within either the current or the preceding 33 calendar year, except for employment hereinafter excluded under 34 paragraph (7) of subsection (i) of this section;
- 35 (12) Any employing unit for which agricultural labor in employment as defined in R.S.43:21-19 (i) (1) (I) is performed after December 31, 36 37 1977;
- 38 (13) Any employing unit for which domestic service in employment 39 as defined in R.S.43:21-19 (i) (J) is performed after December 31, 40
- 41 (14) Any employing unit which having become an employer under the "unemployment compensation law" (R.S.43:21-1 et seq.), has not 42 under R.S.43:21-8 ceased to be an employer; or for the effective 43 44 period of its election pursuant to R.S.43:21-8, any other employing 45 unit which has elected to become fully subject to this chapter 46 (R.S.43:21-1 et seq.).

- (i) (1) "Employment" means:
- 2 (A) Any service performed prior to January 1, 1972, which was
- 3 employment as defined in the "unemployment compensation law"
- 4 (R.S.43:21-1 et seq.) prior to such date, and, subject to the other
- 5 provisions of this subsection, service performed on or after January 1,
- 6 1972, including service in interstate commerce, performed for
- 7 remuneration or under any contract of hire, written or oral, express or
- 8 implied.

- 9 (B) (i) Service performed after December 31, 1971 by an individual
- 10 in the employ of this State or any of its instrumentalities or in the
- 11 employ of this State and one or more other states or their
- 12 instrumentalities for a hospital or institution of higher education
- 13 located in this State, if such service is not excluded from
- 14 "employment" under paragraph (D) below.
- 15 (ii) Service performed after December 31, 1977, in the employ of
- 16 this State or any of its instrumentalities or any political subdivision
- 17 thereof or any of its instrumentalities or any instrumentality of more
- 18 than one of the foregoing or any instrumentality of the foregoing and
- 19 one or more other states or political subdivisions, if such service is not
- 20 excluded from "employment" under paragraph (D) below.
- 21 (C) Service performed after December 31, 1971 by an individual in
- 22 the employ of a religious, charitable, educational, or other
- 23 organization, which is excluded from "employment" as defined in the
- 24 Federal Unemployment Tax Act, solely by reason of section 3306 (c)
- 25 (8) of that act, if such service is not excluded from "employment"
- 26 under paragraph (D) below.
- 27 (D) For the purposes of paragraphs (B) and (C), the term
- 28 "employment" does not apply to services performed
- 29 (i) In the employ of (I) a church or convention or association of
- 30 churches, or (II) an organization, or school which is operated primarily
- 31 for religious purposes and which is operated, supervised, controlled or
- 32 principally supported by a church or convention or association of
- 33 churches;
- 34 (ii) By a duly ordained, commissioned, or licensed minister of a
- 35 church in the exercise of his ministry or by a member of a religious
- order in the exercise of duties required by such order;
- 37 (iii) Prior to January 1, 1978, in the employ of a school which is not
- an institution of higher education, and after December 31, 1977, in the
- 39 employ of a governmental entity referred to in R.S.43:21-19 (i) (1)
- 40 (B), if such service is performed by an individual in the exercise of
- 41 duties
- 42 (aa) as an elected official;
- 43 (bb) as a member of a legislative body, or a member of the 44 judiciary, of a state or political subdivision;
- 45 (cc) as a member of the State National Guard or Air National 46 Guard;

- 1 (dd) as an employee serving on a temporary basis in case of fire, 2 storm, snow, earthquake, flood or similar emergency;
- (ee) in a position which, under or pursuant to the laws of this State,
  is designated as a major nontenured policy making or advisory
  position, or a policy making or advisory position, the performance of
  the duties of which ordinarily does not require more than eight hours
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- (iv) By an individual receiving rehabilitation or remunerative work in a facility conducted for the purpose of carrying out a program of rehabilitation of individuals whose earning capacity is impaired by age or physical or mental deficiency or injury or providing remunerative work for individuals who because of their impaired physical or mental capacity cannot be readily absorbed in the competitive labor market;
- (v) By an individual receiving work-relief or work-training as part of an unemployment work-relief or work-training program assisted in whole or in part by any federal agency or an agency of a state or political subdivision thereof; or
- (vi) Prior to January 1, 1978, for a hospital in a State prison or other State correctional institution by an inmate of the prison or correctional institution and after December 31, 1977, by an inmate of a custodial or penal institution.
- (E) The term "employment" shall include the services of an 22 23 individual who is a citizen of the United States, performed outside the United States after December 31, 1971 (except in Canada and in the 24 case of the Virgin Islands, after December 31, 1971) and prior to 25 26 January 1 of the year following the year in which the U.S. Secretary 27 of Labor approves the unemployment compensation law of the Virgin 28 Islands, under section 3304 (a) of the Internal Revenue Code of 1986 29 (26 U.S.C. s.3304 (a)) in the employ of an American employer (other 30 than the service which is deemed employment under the provisions of 31 R.S.43:21-19 (i) (2) or (5) [of ] or the parallel provisions of another 32 state's unemployment compensation law), if
  - (i) The American employer's principal place of business in the United States is located in this State; or
  - (ii) The American employer has no place of business in the United States, but (I) the American employer is an individual who is a resident of this State; or (II) the American employer is a corporation which is organized under the laws of this State; or (III) the American employer is a partnership or trust and the number of partners or trustees who are residents of this State is greater than the number who are residents of another state; or
- (iii) None of the criteria of divisions (i) and (ii) of this subparagraph
  (E) is met but the American employer has elected to become an
  employer subject to the "unemployment compensation law"
  (R.S.43:21-1 et seq.) in this State, or the American employer having
  failed to elect to become an employer in any state, the individual has

- 1 filed a claim for benefits, based on such service, under the law of this 2
- 3 (iv) An "American employer," for the purposes of this subparagraph 4 (E), means (I) an individual who is a resident of the United States; or 5 (II) a partnership, if two-thirds or more of the partners are residents of the United States; or (III) a trust, if all the trustees are residents of 6 7 the United States; or (IV) a corporation organized under the laws of 8 the United States or of any state.
- 9 (F) Notwithstanding R.S.43:21-19 (i) (2), all service performed 10 after January 1, 1972 by an officer or member of the crew of an 11 American vessel or American aircraft on or in connection with such vessel or aircraft, if the operating office from which the operations of 12 such vessel or aircraft operating within, or within and without, the 13 14 United States are ordinarily and regularly supervised, managed, 15 directed, and controlled, is within this State.
  - (G) Notwithstanding any other provision of this subsection, service in this State with respect to which the taxes required to be paid under any federal law imposing a tax against which credit may be taken for contributions required to be paid into a state unemployment fund or which as a condition for full tax credit against the tax imposed by the Federal Unemployment Tax Act is required to be covered under the "unemployment compensation law" (R.S.43:21-1 et seq.).
- 23 (H) The term "United States" when used in a geographical sense in 24 subsection R.S.43:21-19 (i) includes the states, the District of Columbia, the Commonwealth of Puerto Rico and, effective on the day 25 26 after the day on which the U.S. Secretary of Labor approves for the 27 first time under section 3304 (a) of the Internal Revenue Code of 1986 28 (26 U.S.C. s.3304 (a)) an unemployment compensation law submitted 29 to the Secretary by the Virgin Islands for such approval, the Virgin 30 Islands.
  - (I) (i) Service performed after December 31, 1977 in agricultural labor in a calendar year for an entity which is an employer as defined in the "unemployment compensation law," (R.S.43:21-1 et seq.) as of January 1 of such year; or for an employing unit which
  - (aa) during any calendar quarter in either the current or the preceding calendar year paid remuneration in cash of \$20,000.00 or more for individuals employed in agricultural labor, or
  - (bb) for some portion of a day in each of 20 different calendar weeks, whether or not such weeks were consecutive, in either the current or the preceding calendar year, employed in agricultural labor 10 or more individuals, regardless of whether they were employed at the same moment in time.
- 43 (ii) for the purposes of this subsection any individual who is a 44 member of a crew furnished by a crew leader to perform service in 45 agricultural labor for any other entity shall be treated as an employee

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- 1 (aa) if such crew leader holds a certification of registration under
- 2 the Migrant and Seasonal Agricultural Worker Protection Act,
- 3 Pub.L.97-470 (29 U.S.C. s.1801 et seq.), or P.L.1971, c.192
- 4 (C.34:8A-7 et seq.); or substantially all the members of such crew
- 5 operate or maintain tractors, mechanized harvesting or cropdusting
- 6 equipment, or any other mechanized equipment, which is provided by
- 7 such crew leader; and

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- 8 (bb) if such individual is not an employee of such other person for 9 whom services were performed.
- (iii) For the purposes of subparagraph (I) (i) in the case of any individual who is furnished by a crew leader to perform service in agricultural labor or any other entity and who is not treated as an employee of such crew leader under (I) (ii)
  - (aa) such other entity and not the crew leader shall be treated as the employer of such individual; and
  - (bb) such other entity shall be treated as having paid cash remuneration to such individual in an amount equal to the amount of cash remuneration paid to such individual by the crew leader (either on his own behalf or on behalf of such other entity) for the service in agricultural labor performed for such other entity.
- 21 (iv) For the purpose of subparagraph (I) [(i)](ii), the term "crew leader" means an individual who
  - (aa) furnishes individuals to perform service in agricultural labor for any other entity;
  - (bb) pays (either on his own behalf or on behalf of such other entity) the individuals so furnished by him for the service in agricultural labor performed by them; and
- 28 (cc) has not entered into a written agreement with such other entity 29 under which such individual is designated as an employee of such other 30 entity.
- 31 (J) Domestic service after December 31, 1977 performed in the 32 private home of an employing unit which paid cash remuneration of 33 \$1,000.00 or more to one or more individuals for such domestic 34 service in any calendar quarter in the current or preceding calendar 35 year.
  - (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
- 39 (B) The service is not localized in any state but some of the service 40 is performed in this State, and (i) the base of operations, or, if there is 41 no base of operations, then the place from which such service is 42 directed or controlled, is in this State; or (ii) the base of operations or 43 place from which such service is directed or controlled is not in any 44 state in which some part of the service is performed, but the 45 individual's residence is in this State.
- 46 (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 (R.S.43:21-1 et seq.) 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 6 7 performed entirely without this State, with respect to no part of which 8 contributions are required and paid under an unemployment 9 compensation law of any other state or of the federal government, 10 shall be deemed to be employment subject to this chapter (R.S.43:21-1 11 et seq.) if the individual performing such services is a resident of this 12 State and the employing unit for whom such services are performed 13 files with the division an election that the entire service of such 14 individual shall be deemed to be employment subject to this chapter 15 (R.S.43:21-1 et seq.).
  - (5) Service shall be deemed to be localized within a state if:
  - (A) The service is performed entirely within such state; or

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- (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 (R.S.43:21-1 et seq.) 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) Provided that such services are also exempt under the Federal Unemployment Tax Act, as amended, or that contributions with respect to such services are not required to be paid into a state unemployment fund as a condition for a tax offset credit against the tax imposed by the Federal Unemployment Tax Act, as amended, the term "employment" shall not include:
- (A) Agricultural labor performed prior to January 1, 1978; and after December 31, 1977, only if performed in a calendar year for an entity which is not an employer as defined in the "unemployment compensation law," (R.S.43:21-1 et seq.) as of January 1 of such calendar year; or unless performed for an employing unit which
- (i) during a calendar quarter in either the current or the preceding calendar year paid remuneration in cash of \$20,000.00 or more to

1 individuals employed in agricultural labor, or

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- 2 (ii) for some portion of a day in each of 20 different calendar 3 weeks, whether or not such weeks were consecutive, in either the 4 current or the preceding calendar year, employed in agricultural labor 5 10 or more individuals, regardless of whether they were employed at 6 the same moment in time:
- (B) Domestic service in a private home performed prior to January 1, 1978; and after December 31, 1977, unless performed in the private home of an employing unit which paid cash remuneration of \$1,000.00 or more to one or more individuals for such domestic service in any calendar quarter in the current or preceding calendar year;
  - (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 18 in the employ of his father or mother;
  - (D) Service performed prior to January 1, 1978, in the employ of this State or of any political subdivision thereof or of any instrumentality of this State or its political subdivisions, except as provided in R.S.43:21-19 (i) (1) (B) above, and service in the employ of the South Jersey Port Corporation or its successors;
  - (E) Service performed in the employ of any other state or its political subdivisions or of an instrumentality of any other state or states or their political subdivisions to the extent that such instrumentality is with respect to such service exempt under the Constitution of the United States from the tax imposed under the Federal Unemployment Tax Act, as amended, except as provided in R.S.43:21-19 (i) (1) (B) above;
- 27 (F) Service performed in the employ of the United States 28 Government or of any instrumentality of the United States except 29 under the Constitution of the United States from the contributions imposed by the "unemployment compensation law," except that to the 30 extent that the Congress of the United States shall permit states to 31 require any instrumentalities of the United States to make payments 32 33 into an unemployment fund under a state unemployment compensation 34 law, all of the provisions of this act shall be applicable to such 35 instrumentalities, and to service performed for such instrumentalities, 36 in the same manner, to the same extent and on the same terms as to all 37 other employers, employing units, individuals and services; provided that if this State shall not be certified for any year by the Secretary of 38 39 Labor of the United States under section 3304 of the federal Internal 40 Revenue Code of 1986 (26 U.S.C. s.3304), the payments required of 41 such instrumentalities with respect to such year shall be refunded by 42 the division from the fund in the same manner and within the same 43 period as is provided in R.S.43:21-14 (f) with respect to contributions erroneously paid to or collected by the division; 44 45
  - (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 1 2 under the lodge system and providing for the payment of life, sick, 3 accident, or other benefits to the members of such society, order, or 4 association, or their dependents;
- 5 (H) Services performed as a member of the board of directors, a board of trustees, a board of managers, or a committee of any bank, 6 building and loan, or savings and loan association, incorporated or 8 organized under the laws of this State or of the United States, where 9 such services do not constitute the principal employment of the 10 individual;

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- (I) Service with respect to which unemployment insurance is payable under an unemployment insurance program established by an Act of Congress;
- (J) Service performed by agents of mutual fund brokers or dealers in the sale of mutual funds or other securities, by agents of insurance companies, exclusive of industrial insurance agents or by agents of investment companies, if the compensation to such agents for such services is 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 performed for or in behalf of the owner or operator of any theatre, 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 after January 1, 1973 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 \$1,000.00 in a calendar year;
  - (O) Services performed in the sale or distribution of merchandise by home-to-home salespersons or in-the-home demonstrators whose remuneration consists wholly of commissions or commissions and
- 41 (P) Service performed in the employ of a foreign government, including service as a consular, nondiplomatic representative, or other 42 43 officer or employee;
- 44 (Q) Service performed in the employ of an instrumentality wholly 45 owned by a foreign government if (i) the service is of a character 46 similar to that performed in foreign countries by employees of the

- 1 United States Government or of an instrumentality thereof, and (ii) the
- 2 division finds that the United States Secretary of State has certified to
- 3 the United States Secretary of the Treasury that the foreign
- 4 government, with respect to whose instrumentality exemption is
- 5 claimed, grants an equivalent exemption with respect to similar
- 6 services performed in the foreign country by employees of the United
- 7 States Government and of instrumentalities thereof;

- (R) Service in the employ of an international organization entitled to enjoy the privileges, exemptions and immunities under the International Organizations Immunities Act (22 U.S.C. s.288 et seq.);
- (S) Service covered by an election duly approved by an agency charged with the administration of any other state or federal unemployment compensation or employment security law, in accordance with an arrangement pursuant to R.S.43:21-21 during the effective period of such election;
- (T) Service performed in the employ of a school, college, or university if such service is performed (i) by a student enrolled at such school, college, or university on a full-time basis in an educational program or completing such educational program leading to a degree at any of the severally recognized levels, or (ii) by the spouse of such a student, if such spouse is advised at the time such spouse commences to perform such service that (I) the employment of such spouse to perform such service is provided under a program to provide financial assistance to such student by such school, college, or university, and (II) such employment will not be covered by any program of unemployment insurance;
- (U) Service performed by an individual who is enrolled at a nonprofit or public educational institution which normally maintains a regular faculty and curriculum and normally has a regularly organized body of students in attendance at the place where its educational activities are carried on, as a student in a full-time program, taken for credit at such institution, which combines academic instruction with work experience, if such service is an integral part of such program, and such institution has so certified to the employer, except that this subparagraph shall not apply to service performed in a program established for or on behalf of an employer or group of employers;
- (V) Service performed in the employ of a hospital, if such service is performed by a patient of the hospital; service performed as a student nurse in the employ of a hospital or a nurses' training school by an individual who is enrolled and regularly attending classes in a nurses' training school approved under the laws of this State; and service performed as an intern in the employ of a hospital by an individual who has completed a four-year course in a medical school approved pursuant to the laws of this State;
- 45 (W) Services performed after the effective date of this amendatory 46 act by agents of mutual benefit associations if the compensation to

1 such agents for such services is wholly on a commission basis;

2 (X) Services performed by operators of motor vehicles weighing 3 18,000 pounds or more, licensed for commercial use and used for the 4 highway movement of motor freight, who own their equipment or who 5 lease or finance the purchase of their equipment through an entity which is not owned or controlled directly or indirectly by the entity for 6 7 which the services were performed and who were compensated by 8 receiving a percentage of the gross revenue generated by the 9 transportation move or by a schedule of payment based on the distance 10 and weight of the transportation move;

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- (Y) Services performed by a certified shorthand reporter certified pursuant to P.L.1940, c.175 (C.45:15B-1 et seq.), provided to a third party by the reporter who is referred to the third party pursuant to an agreement with another certified shorthand reporter or shorthand reporting service, on a freelance basis, compensation for which is based upon a fee per transcript page, flat attendance fee, or other flat minimum fee, or combination thereof, set forth in the agreement;
- (Z) Services performed, using facilities provided by a travel agent, by a person, commonly known as an outside travel agent, who acts as an independent contractor, is paid on a commission basis, sets his own work schedule and receives no benefits, sick leave, vacation or other leave from the travel agent owning the facilities.
- (8) If one-half or more of the services in any pay period performed by an individual for an employing unit constitutes employment, all the services of such individual shall be deemed to be employment; but if more than one-half of the service in any pay period performed by an individual for an employing unit does not constitute employment, then none of the service of such individual shall be deemed to be employment. As used in this paragraph, the term "pay period" means a period of not more than 31 consecutive days for which a payment for service is ordinarily made by an employing unit to individuals in its employ.
- (9) Services performed by the owner of a limousine franchise (franchisee) shall not be deemed to be employment subject to the "unemployment compensation law," R.S.43:21-1 et seq., with regard to the franchisor if:
  - (A) The limousine franchisee is incorporated;
- 38 (B) The franchisee is subject to regulation by the Interstate 39 Commerce Commission;
- 40 (C) The limousine franchise exists pursuant to a written franchise 41 arrangement between the franchisee and the franchisor as defined by 42 section 3 of P.L.1971, c.356 (C.56:10-3); and
- 43 (D) The franchisee registers with the Department of Labor and 44 receives an employer registration number.
- (j) "Employment office" means a free public employment office,or branch thereof operated by this State or maintained as a part of a

- 1 State-controlled system of public employment offices.
- 2 (k) (Deleted by amendment, P.L.1984, c.24.)
- 3 (1) "State" includes, in addition to the states of the United States
  4 of America, the District of Columbia, the Virgin Islands and Puerto
  5 Rico.
- 6 (m) "Unemployment."

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- 7 (1) An individual shall be deemed "unemployed" for any week 8 during which:
- 9 (A) The individual is not engaged in full-time work and with respect 10 to which his remuneration is less than his weekly benefit rate, including any week during which he is on vacation without pay; provided such 11 12 vacation is not the result of the individual's voluntary action, except 13 that for benefit years commencing on or after July 1, 1984, an officer 14 of a corporation, or a person who has more than a 5% equitable or 15 debt interest in the corporation, whose claim for benefits is based on wages with that corporation shall not be deemed to be unemployed in 16 17 any week during the individual's term of office or ownership in the 18 corporation; or
  - (B) The individual is eligible for and receiving a self-employment assistance allowance pursuant to the requirements of P.L.1995, c.394 (C.43:21-67 et al.).
  - (2) The term "remuneration" with respect to any individual for benefit years commencing on or after July 1, 1961, and as used in this subsection, shall include only that part of the same which in any week exceeds 20% of his weekly benefit rate (fractional parts of a dollar omitted) or \$5.00, whichever is the larger.
  - (3) An individual's week of unemployment shall be deemed to commence only after the individual has filed a claim at an unemployment insurance claims 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 (R.S.43:21-1 et seq.), from which administrative expenses under this chapter (R.S.43:21-1 et seq.) shall be paid.
- 35 (o) "Wages" means remuneration paid by employers for employment. If a worker receives gratuities regularly in the course of 36 37 his employment from other than his employer, his "wages" shall also 38 include the gratuities so received, if reported in writing to his 39 employer in accordance with regulations of the division, and if not so 40 reported, his "wages" shall be determined in accordance with the 41 minimum wage rates prescribed under any labor law or regulation of this State or of the United States, or the amount of remuneration 42 43 actually received by the employee from his employer, whichever is the 44 higher.
- (p) "Remuneration" means all compensation for personal services, including commission and bonuses and the cash value of all

1 compensation in any medium other than cash.

- 2 (q) "Week" means for benefit years commencing on or after 3 October 1, 1984, the calendar week ending at midnight Saturday, or 4 as the division may by regulation prescribe.
- 5 (r) "Calendar quarter" means the period of three consecutive 6 calendar months ending March 31, June 30, September 30, or 7 December 31.
- 8 (s) "Investment company" means any company as defined in subsection a. of section 1 of P.L.1938, c.322 (C.17:16A-1).
- (t) (1) ["Base week" for a benefit year commencing on or after 10 11 October 1, 1985 and before January 1, 1996 means any calendar week 12 of an individual's base year during which the individual earned in employment from an employer remuneration equal to not less than 13 20% of the Statewide average weekly remuneration defined in 14 15 subsection (c) of R.S.43:21-3 which shall be adjusted to the next 16 higher multiple of \$1.00 if not already a multiple thereof; provided if 17 in any calendar week an individual is in employment with more than 18 one employer, he may in such calendar week establish a base week 19 with respect to each such employer from whom the individual earns 20 remuneration equal to not less than the amount defined in this paragraph (1) during such week.] (Deleted by amendment, P.L. 21 <u>c.</u> ) 22
- 23 (2) "Base week," <sup>1</sup>[for a benefit year] <sup>1</sup> commencing on or after 24 January 1, 1996 and before January <sup>1</sup>[7.] 1 2001, means:

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- (A) Any calendar week <sup>1</sup>[of an individual's base year] <sup>1</sup> during which the individual earned in employment from an employer remuneration not less than an amount which is 20% of the Statewide average weekly remuneration defined in subsection (c) of R.S.43:21-3 which amount shall be adjusted to the next higher multiple of \$1.00 if not already a multiple thereof, except that if in any calendar week an individual subject to this subparagraph (A) is in employment with more than one employer, the individual may in that calendar week establish a base week with respect to each of the employers from whom the individual earns remuneration equal to not less than the amount defined in this subparagraph (A) during that week; or
- 36 (B) If the individual does not establish in his base year 20 or more 37 base weeks as defined in subparagraph (A) of this paragraph (2), any 38 calendar week of an individual's base year during which the individual 39 earned in employment from an employer remuneration not less than an 40 amount 20 times the minimum wage in effect pursuant to section 5 of P.L.1966, c.113 (C.34:11-56a4) on October 1 of the calendar year 41 42 preceding the calendar year in which the benefit year commences, 43 which amount shall be adjusted to the next higher multiple of \$1.00 if 44 not already a multiple thereof, except that if in any calendar week an individual subject to this subparagraph (B) is in employment with more 45 46 than one employer, the individual may in that calendar week establish

a base week with respect to each of the employers from whom the
individual earns remuneration not less than the amount defined in this
subparagraph (B) during that week.

(3) "Base week," <sup>1</sup>[for a benefit year ] <sup>1</sup> commencing on or after January <sup>1</sup>[7, ] 1<sup>1</sup> 2001, means any calendar week <sup>1</sup>[of an individual's base year ] <sup>1</sup> during which the individual earned in employment from an employer remuneration not less than an amount 20 times the minimum wage in effect pursuant to section 5 of P.L.1966, c.113 (C.34:11-56a4) on October 1 of the calendar year preceding the calendar year in which the benefit year commences, which amount shall be adjusted to the next higher multiple of \$1.00 if not already a multiple thereof, except that if in any calendar week an individual subject to this paragraph (3) is in employment with more than one employer, the individual may in that calendar week establish a base week with respect to each of the employers from whom the individual earns remuneration equal to not less than the amount defined in this paragraph (3) during that week.

(u) "Average weekly wage" means the amount derived by dividing an individual's total wages received during his base year base weeks (as defined in subsection (t) of this section) from that most recent base year employer with whom he has established at least 20 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 20 base weeks, then such individual's average weekly wage shall be computed as if all of his base week wages were received from one employer and as if all his base weeks of employment had been performed in the employ of one employer.

For the purpose of computing the average weekly wage, the monetary alternative in subparagraph (B) of paragraph (2) of subsection (e) of R.S.43:21-4 shall only apply in those instances where the individual did not have at least 20 base weeks in the base year. For benefit years commencing on or after July 1, 1986, "average weekly wage" means the amount derived by dividing an individual's total base year wages by the number of base weeks worked by the individual during the base year; provided that for the purpose of computing the average weekly wage, the maximum number of base weeks used in the divisor shall be 52.

(v) "Initial determination" means, subject to the provisions of R.S.43:21-6(b)(2) 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. For benefit years commencing prior to July 1, 1986, subject to the provisions of R.S.43:21-3(d)(3), if an individual has been in employment in his base year with more than one employer, no benefits shall be paid to that individual under any successive initial determination until his benefit rights have been exhausted under the

1 next preceding initial determination.

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- (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 service in employment in the base year.
- 8 (y) (1) "Educational institution" means any public or other nonprofit institution (including an institution of higher education):
- 10 (A) In which participants, trainees, or students are offered an organized course of study or training designed to transfer to them 11 12 knowledge, skills, information, doctrines, attitudes or abilities from, 13 by or under the guidance of an instructor [(s)] or teacher [(s)];
  - (B) Which is approved, licensed or issued a permit to operate as a school by the State Department of Education or other government agency that is authorized within the State to approve, license or issue a permit for the operation of a school; and
  - (C) Which offers courses of study or training which may be academic, technical, trade, or preparation for gainful employment in a recognized occupation.
- (2) "Institution of higher education" means an educational 21 22 institution which:
  - (A) Admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;
  - (B) Is legally authorized in this State to provide a program of education beyond high school;
    - (C) Provides an educational program for which it awards a bachelor's or higher degree, or provides a program which is acceptable for full credit toward such a degree, a program of post-graduate or post-doctoral studies, or a program of training to prepare students for gainful employment in a recognized occupation; and
  - (D) Is a public or other nonprofit institution.
- 34 Notwithstanding any of the foregoing provisions of this subsection, 35 all colleges and universities in this State are institutions of higher education for purposes of this section. 36
- 37 (z) "Hospital" means an institution which has been licensed, 38 certified or approved under the law of this State as a hospital.
- 39 (cf: P.L.1995, c.394, s.9)

41 3. Section 3 of P.L.1948, c.110 (C.43:21-27) is amended to read 42 as follows:

- 3. As used in this act, unless the context clearly requires otherwise:
- 44 (a)(1) "Covered employer" means any individual or type of 45 organization, including any partnership, association, trust, estate,
- joint-stock company, insurance company or corporation, whether 46

- 1 domestic or foreign, or the receiver, trustee in bankruptcy, trustee or
- 2 successor thereof, or the legal representative of a deceased person,
- 3 who is an employer subject to the chapter to which this act is a
- 4 supplement, designated as the [Unemployment Compensation Law]
- 5 "unemployment compensation law" (R.S. 43:21-1 et seq.), except the
- 6 State, its political subdivisions, and any instrumentality of the State
- 7 unless such governmental entity elects to become a covered employer
- 8 under the [Temporary Disability Benefits Law] "Temporary Disability
- 9 Benefits Law"; provided, however, that commencing with the effective
- 10 date of this act the State of New Jersey, including Rutgers, The State
- 11 University, the University of Medicine and Dentistry of New Jersey
- 12 and the New Jersey Institute of Technology, shall be deemed a
- 13 covered employer, as defined herein.

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termination date.

- (2) Any governmental entity or instrumentality which is an employer under R.S. 43:21-19(h)(5) may elect to become a "covered employer" under this subsection beginning with the date on which its coverage under subsection 19(h)(5) begins or as of January 1 of any year thereafter by filing written notice of such election with the division within at least 30 days of the effective date. Such election shall remain in effect for at least two full calendar years and may be terminated as of January 1 of any year thereafter by filing with the division a written notice of termination at least 30 days prior to the
- 24 (b) "Covered individual" means any person who is in employment, 25 as defined in the chapter to which this act is a supplement, for which [he] the individual is entitled to remuneration from a covered 26 27 employer, or who has been out of such employment for less than two 28 weeks. However, a "covered individual" who is employed by the 29 State of New Jersey, including Rutgers, The State University, the 30 University of Medicine and Dentistry of New Jersey and the New 31 Jersey Institute of Technology, or by any governmental entity or 32 instrumentality which elects to [becoming] become a "covered 33 employer" pursuant to this amendatory act, shall not be eligible to receive any benefits under the [Temporary Disability Benefits Law ] 34 "Temporary Disability Benefits Law" until such individual has 35 36 exhausted all sick leave accumulated as an employee in the classified 37 service of the State or accumulated under terms and conditions similar to classified employees or accumulated under the terms and 38 39 conditions pursuant to the laws of this State or as the result of a 40 negotiated contract with any governmental entity or instrumentality which elects to become a "covered employer." 41
- "Covered individual" shall not mean any member of the Division ofState Police in the Department of Law and Public Safety.
- 44 (c) "Division" or "commission" means the Division of 45 Unemployment and Temporary Disability Insurance of the Department 46 of Labor, and any transaction or exercise of authority by the director

- 1 of the division shall be deemed to be performed by the division.
- 2 (d) "Day" shall mean a full calendar day beginning and ending at midnight.
- 4 (e) "Disability" shall mean such disability as is compensable under 5 section 5 of this act.
- 6 (f) "Disability benefits" shall mean any cash payments which are payable to a covered individual pursuant to this act.
- 8 (g) "Period of disability" with respect to any individual shall mean 9 the entire period of time during which [he] the individual is 10 continuously and totally unable to perform the duties of his 11 employment, except that two periods of disability due to the same or 12 related cause or condition and separated by a period of not more than 13 14 days shall be considered as one continuous period of disability; 14 provided the individual has earned wages during such 14-day period with the employer who was [his] the individual's last employer 15 immediately preceding the first period of disability. 16
  - (h) "Wages" shall mean all compensation payable by covered employers to covered individuals for personal services, including commissions and bonuses and the cash value of all compensation payable in any medium other than cash.

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- (i)(1) ["Base week" with respect to periods of disability commencing prior to October 1, 1984, means any calendar week during which an individual earned not less than \$15.00 from a covered employer, in employment as defined in the chapter to which this act is a supplement.] (Deleted by amendment, P.L. , c. )
- (2) ["Base week" with respect to periods of disability commencing on or after October 1, 1984, and prior to October 1, 1985, means any calendar week during which an individual earned in employment from a covered employer remuneration equal to not less than 15% of the Statewide average weekly remuneration as determined under subsection (c) of R.S. 43:21-3, which shall be adjusted to the next higher multiple of \$1.00 if not already a multiple thereof.] (Deleted by amendment, P.L. , c. )
- 34 (3) "Base week" with respect to periods of disability commencing 35 on or after October 1, 1985 and before January 1, 2001, means any 36 calendar week during which an individual earned in employment from 37 a covered employer remuneration equal to not less than 20% of the 38 Statewide average weekly remuneration as determined under 39 subsection (c) of R.S.43:21-3, which shall be adjusted to the next 40 higher multiple of \$1.00 if not already a multiple thereof.
- 41 (4) "Base week" with respect to periods of disability commencing
  42 on or after January 1, 2001, means any calendar week of an
  43 individual's base year during which the individual earned in
  44 employment from a covered employer remuneration not less than an
  45 amount 20 times the minimum wage in effect pursuant to section 5 of
  46 P.L.1966, c.113 (C.34:11-56a4) on October 1 of the calendar year

1 preceding the calendar year in which the benefit year commences,

- 2 which amount shall be adjusted to the next higher multiple of \$1.00 if
- 3 <u>not already a multiple thereof, except that if in any calendar week an</u>
- 4 <u>individual subject to this paragraph is in employment with more than</u>
- 5 <u>one employer, the individual may in that calendar week establish a base</u>
- 6 week with respect to each of the employers from whom the individual
- 7 <u>earns remuneration equal to not less than the amount defined in this</u>
- 8 paragraph during that week.
  - (j) "Average weekly wage" means the amount derived by dividing a covered individual's total wages earned from [his] the individual's most recent covered employer during the base weeks in the eight calendar weeks immediately preceding the calendar week in which disability commenced, by the number of such base weeks. If this computation yields a result which is less than the individual's average weekly earnings in employment, as defined in the chapter to which this act is a supplement, with all covered employers during the base weeks in such eight calendar weeks, then the average weekly wage shall be computed on the basis of earnings from all covered employers during the eight base weeks immediately preceding the week in which the disability commenced.

21 (cf: P.L.1984, c.104, s.1)

- 4. Section 17 of P.L.1948, c.110 (C.43:21-41) is amended to read as follows:
- 17. (a) (Deleted by amendment, P.L.1975, c.355.)
  - (b) [With respect to periods of disability commencing on or after January 1, 1953, and prior to January 1, 1976, no individual shall be entitled to benefits under this article unless he has established at least 17 base weeks within the 52 calendar weeks preceding the week in which his period of disability commenced, nor unless he shall duly file notice and proof of claim, and submit to such reasonable examinations as are required by this act and the rules and regulations of the division.] (Deleted by amendment, P.L. , c. )
  - (c) [With respect to periods of disability commencing on or after January 1, 1976, and prior to October 1, 1984, no individual shall be entitled to benefits under this article unless he has established at least 17 base weeks within the 52 calendar weeks preceding the week in which his period of disability commenced, or, in the alternative, has earned \$2,200.00 or more within the 52 calendar weeks preceding the week in which his period of disability commenced, nor unless he shall duly file notice and proof of claim, and submit to such reasonable examinations as are required by this act and the rules and regulations of the division.

Notwithstanding any provisions of this section to the contrary, the provision of subsection 17(c) shall apply to any claim pending before the division or the courts on the effective date of this act.] (Deleted

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1	by amendment, P.L., c.)
2	(d) With respect to periods of disability commencing on or after
3	October 1, 1984 and before January 1, 2001, no individual shall be
4	entitled to benefits under this act unless [he] the individual has
5	established at least 20 base weeks within the 52 calendar weeks
6	preceding the week in which [his] the individual's period of disability
7	commenced, or, in the alternative, the individual has earned twelve
8	times the Statewide average weekly remuneration paid to workers, as
9	determined under subsection (c) of R.S. 43:21-3, raised to the next
10	higher multiple of \$100.00, if not already a multiple thereof, or more
11	within the 52 calendar weeks preceding the week in which [his] the
12	period of disability commenced, nor shall the individual be entitled to
13	benefits unless he shall duly file notice and proof of claim, and submit
14	to such reasonable examinations as are required by this act and the
15	rules and regulations of the division.
16	(2) With respect to periods of disability commencing on or after
17	January 1, 2001, no individual shall be entitled to benefits under this
18	act unless the individual has, within the 52 calendar weeks preceding
19	the week in which the individual's period of disability commenced,
20	established at least 20 base weeks or earned not less than 1,000 times
21	the minimum wage in effect pursuant to section 5 of P.L.1996, c.113
22	(C.34:11-56a4) on October 1 of the calendar year preceding the
23	calendar year in which the disability commences, which amount shall
24	be adjusted to the next higher multiple of \$100.00, if not already a
25	multiple thereof.
26	(cf: P.L.1984, c.104, s.4)
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28	5. This act shall take effect immediately.
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Modifies eligibility for temporary disability and unemployment benefits.

#### **CHAPTER 17**

**AN ACT** concerning eligibility for unemployment compensation and temporary disability benefits and amending R.S.43:21-4, R.S.43:21-19 and P.L.1948, c.110.

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

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

Benefit eligibility conditions.

- 43:21-4. Benefit eligibility conditions. An unemployed individual shall be eligible to receive benefits with respect to any week only if:
- (a) The individual has filed a claim at an unemployment insurance claims office and thereafter continues to report at an employment service office or unemployment insurance claims office, as directed by the division in accordance with such regulations as the division may prescribe, except that the division may, by regulation, waive or alter either or both of the requirements of this subsection as to individuals attached to regular jobs, and as to such other types of cases or situations with respect to which the division finds that compliance with such requirements would be oppressive, or would be inconsistent with the purpose of this act; provided that no such regulation shall conflict with subsection (a) of R.S.43:21-3.
- (b) The individual has made a claim for benefits in accordance with the provisions of subsection (a) of R.S.43:21-6.
- (c) (1) The individual is able to work, and is available for work, and has demonstrated to be actively seeking work, except as hereinafter provided in this subsection or in subsection (f) of this section
- (2) The director may modify the requirement of actively seeking work if such modification of this requirement is warranted by economic conditions.
- (3) No individual, who is otherwise eligible, shall be deemed ineligible, or unavailable for work, because the individual is on vacation, without pay, during said week, if said vacation is not the result of the individual's own action as distinguished from any collective action of a collective bargaining agent or other action beyond the individual's control.
- (4) (A) Subject to such limitations and conditions as the division may prescribe, an individual, who is otherwise eligible, shall not be deemed unavailable for work or ineligible because the individual is attending a training program approved for the individual by the division to enhance the individual's employment opportunities or because the individual failed or refused to accept work while attending such program.
- (B) For the purpose of this paragraph (4), any training program shall be regarded as approved by the division for the individual if the program and the individual meet the following requirements:
- (i) The training is for a labor demand occupation and is likely to enhance the individual's marketable skills and earning power;
- (ii) The training is provided by a competent and reliable private or public entity approved by the Commissioner of Labor pursuant to the provisions of section 8 of the "1992 New Jersey Employment and Workforce Development Act," P.L.1992, c.43 (C.34:15D-8);
- (iii) The individual can reasonably be expected to complete the program, either during or after the period of benefits;
- (iv) The training does not include on the job training or other training under which the individual is paid by an employer for work performed by the individual during the time that the individual receives benefits; and
- (v) The individual enrolls in vocational training, remedial education or a combination of both on a full-time basis.
- (C) If the requirements of subparagraph (B) of this paragraph (4) are met, the division shall not withhold approval of the training program for the individual for any of the following reasons:
- (i) The training includes remedial basic skills education necessary for the individual to successfully complete the vocational component of the training;
- (ii) The training is provided in connection with a program under which the individual may obtain a college degree, including a post-graduate degree;
  - (iii) The length of the training period under the program; or
  - (iv) The lack of a prior guarantee of employment upon completion of the training.

- (D) For the purpose of this paragraph (4), "labor demand occupation" means an occupation for which there is or is likely to be an excess of demand over supply for adequately trained workers, including, but not limited to, an occupation designated as a labor demand occupation by the New Jersey Occupational Information Coordinating Committee pursuant to the provisions of subsection h. of section 1 of P.L.1987, c.457 (C.34:1A-76) or section 12 of P.L.1992, c.43 (C.34:1A-78).
- (5) An unemployed individual, who is otherwise eligible, shall not be deemed unavailable for work or ineligible solely by reason of the individual's attendance before a court in response to a summons for service on a jury.
- (6) An unemployed individual, who is otherwise eligible, shall not be deemed unavailable for work or ineligible solely by reason of the individual's attendance at the funeral of an immediate family member, provided that the duration of the attendance does not extend beyond a two-day period.

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

- (7) No individual, who is otherwise eligible, shall be deemed ineligible or unavailable for work with respect to any week because, during that week, the individual fails or refuses to accept work while the individual is participating on a full-time basis in self-employment assistance activities authorized by the division, whether or not the individual is receiving a self-employment allowance during that week.
- (8) Any individual who is determined to be likely to exhaust regular benefits and need reemployment services based on information obtained by the worker profiling system shall not be eligible to receive benefits if the individual fails to participate in available reemployment services to which the individual is referred by the division or in similar services, unless the division determines that:
  - (A) The individual has completed the reemployment services; or
- (B) There is justifiable cause for the failure to participate, which shall include participation in employment and training, self-employment assistance activities or other activities authorized by the division to assist reemployment or enhance the marketable skills and earning power of the individual and which shall include any other circumstance indicated pursuant to this section in which an individual is not required to be available for and actively seeking work to receive benefits.
- (d) The individual has been totally or partially unemployed for a waiting period of one week in the benefit year which includes that week. When benefits become payable with respect to the third consecutive week next following the waiting period, the individual shall be eligible to receive benefits as appropriate with respect to the waiting period. No week shall be counted as a week of unemployment for the purposes of this subsection:
- (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 period as provided in this subsection;
- (2) If it has constituted a waiting period week under the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.);
  - (3) Unless the individual fulfills the requirements of subsections (a) and (c) of this section;
- (4) If with respect thereto, claimant was disqualified for benefits in accordance with the provisions of subsection (d) of R.S.43:21-5.
  - (e) (1) (Deleted by amendment, P.L.2001, c.17).
- (2) With respect to benefit years commencing on or after January 1, 1996 and before January 7, 2001, except as otherwise provided in paragraph (3) of this subsection, the individual has, during his base year as defined in subsection (c) of R.S.43:21-19:
- (A) Established at least 20 base weeks as defined in paragraph (2) of subsection (t) of R.S.43:21-19; or
- (B) If the individual has not met the requirements of subparagraph (A) of this paragraph (2), earned remuneration not less than an amount 12 times the Statewide average weekly

remuneration paid to workers, as determined under R.S.43:21-3(c), which amount shall be adjusted to the next higher multiple of \$100.00 if not already a multiple thereof; or

- (C) If the individual has not met the requirements of subparagraph (A) or (B) of this paragraph (2), earned remuneration not less than an amount 1,000 times the minimum wage in effect pursuant to section 5 of P.L.1966, c.113 (C.34:11-56a4) on October 1 of the calendar year preceding the calendar year in which the benefit year commences, which amount shall be adjusted to the next higher multiple of \$100.00 if not already a multiple thereof.
- (3) With respect to benefit years commencing before January 7, 2001, notwithstanding the provisions of paragraph (2) of this subsection, an unemployed individual claiming benefits on the basis of service performed in the production and harvesting of agricultural crops shall, subject to the limitations of subsection (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 individual:
- (A) Has established at least 20 base weeks as defined in paragraph (2) of subsection (t) of R.S.43:21-19; or
- (B) Has earned 12 times the Statewide average weekly remuneration paid to workers, as determined under R.S.43:21-3(c), raised to the next higher multiple of \$100.00 if not already a multiple thereof, or more; or
- (C) Has performed at least 770 hours of service in the production and harvesting of agricultural crops.
- (4) With respect to benefit years commencing on or after January 7, 2001, except as otherwise provided in paragraph (5) of this subsection, the individual has, during his base year as defined in subsection (c) of R.S.43:21-19:
- (A) Established at least 20 base weeks as defined in paragraphs (2) and (3) of subsection (t) of R.S.43:21-19; or
- (B) If the individual has not met the requirements of subparagraph (A) of this paragraph (4), earned remuneration not less than an amount 1,000 times the minimum wage in effect pursuant to section 5 of P.L.1966, c.113 (C.34:11-56a4) on October 1 of the calendar year preceding the calendar year in which the benefit year commences, which amount shall be adjusted to the next higher multiple of \$100 if not already a multiple thereof.
- (5) With respect to benefit years commencing on or after January 7, 2001, notwithstanding the provisions of paragraph (4) of this subsection, an unemployed individual claiming benefits on the basis of service performed in the production and harvesting of agricultural crops shall, subject to the limitations of subsection (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 individual:
- (A) Has established at least 20 base weeks as defined in paragraphs (2) and (3) of subsection (t) of R.S.43:21-19; or
- (B) Has earned remuneration not less than an amount 1,000 times the minimum wage in effect pursuant to section 5 of P.L.1966, c.113 (C.34:11-56a4) on October 1 of the calendar year preceding the calendar year in which the benefit year commences, which amount shall be adjusted to the next higher multiple of \$100 if not already a multiple thereof; or
- (C) Has performed at least 770 hours of service in the production and harvesting of agricultural crops.
- (6) The individual applying for benefits in any successive benefit year has earned at least six times his previous weekly benefit amount and has had four weeks of employment since the beginning of the immediately preceding benefit year. This provision shall be in addition to the earnings requirements specified in paragraph (2), (3), (4) or (5) of this subsection, as applicable.
- (f) (1) The individual has suffered any accident or sickness not compensable under the workers' compensation law, R.S.34:15-1 et seq. and resulting in the individual's total disability to perform any work for remuneration, and would be eligible to receive benefits under this chapter (R.S.43:21-1 et seq.) (without regard to the maximum amount of benefits payable during any benefit year) except for the inability to work and has furnished notice and proof of claim to the division, in accordance with its rules and regulations, and payment is not precluded by 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 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 no benefits shall be

payable under this subsection to any individual:

- (A) For any period during which such individual is not under the care of a legally licensed physician, dentist, optometrist, podiatrist, practicing psychologist or chiropractor;
  - (B) (Deleted by amendment, P.L.1980, c.90.)
- (C) 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 crime of the first, second or third degree;
- (D) For any week with respect to which or a part of which the individual has received or is seeking benefits under any unemployment compensation or disability benefits law of any other state or of the United States; provided that if the appropriate agency of such other state or the United States finally determines that the individual is not entitled to such benefits, this disqualification shall not apply;
- (E) For any week with respect to which or part of which the individual has received or is seeking disability benefits under the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.);
- (F) For any period of disability commencing while such individual is a "covered individual," as defined in subsection (b) of section 3 of the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-27).
- (2) Benefit payments under this subsection (f) shall be charged to and paid from the State disability benefits fund established by the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.), and shall not be charged to any employer account in computing any employer's experience rate for contributions payable under this chapter.
- (g) Benefits based on service in employment defined in subparagraphs (B) and (C) of R.S.43:21-19(i)(1) shall be payable in the same amount and on the terms and subject to the same conditions as benefits payable on the basis of other service subject to the "unemployment compensation law"; except that, notwithstanding any other provisions of the "unemployment compensation law":
- (1) With respect to service performed after December 31, 1977, in an instructional research, or principal administrative capacity for an educational institution, benefits shall not be paid based on such services for any week of unemployment commencing during the period between two successive academic years, or during a similar period between two regular terms, whether or not successive, or during a period of paid sabbatical leave provided for in the individual's contract, to any individual if such individual performs such services in the first of such academic years (or terms) and if there is a contract or a reasonable assurance that such individual will perform services in any such capacity for any educational institution in the second of such academic years or terms;
- (2) With respect to weeks of unemployment beginning after September 3, 1982, on the basis of service performed in any other capacity for an educational institution, benefits shall not be paid on the basis of such services to any individual for any week which commences during a period between two successive academic years or terms if such individual performs such services in the first of such academic years or terms and there is a reasonable assurance that such individual will perform such services in the second of such academic years or terms, except that if benefits are denied to any individual under this paragraph (2) and the individual was not offered an opportunity to perform these services for the educational institution for the second of any academic years or terms, the individual shall be entitled to a retroactive payment of benefits for each week for which the individual filed a timely claim for benefits and for which benefits were denied solely by reason of this clause;
- (3) With respect to those services described in paragraphs (1) and (2) above, benefits shall not be paid on the basis of such services to any individual for any week which commences during an established and customary vacation period or holiday recess if such individual performs such services in the period immediately before such vacation period or holiday recess, and there is a reasonable assurance that such individual will perform such services in the period immediately following such period or holiday recess;
- (4) With respect to any services described in paragraphs (1) and (2) above, benefits shall not be paid as specified in paragraphs (1), (2), and (3) above to any individual who performed those

services in an educational institution while in the employ of an educational service agency, and for this purpose the term "educational service agency" means a governmental agency or governmental entity which is established and operated exclusively for the purpose of providing those services to one or more educational institutions.

- (h) Benefits shall not be paid to any individual on the basis of any services, substantially all of which consist of participating in sports or athletic events or training or preparing to so participate, for any week which commences during the period between two successive sports seasons (or similar periods) if such individual performed such services in the first of such seasons (or similar periods) and there is a reasonable assurance that such individual will perform such services in the later of such seasons (or similar periods).
- (i) (1) Benefits shall not be paid on the basis of services performed by an alien unless such alien is an individual who was lawfully admitted for permanent residence at the time the services were performed and was lawfully present for the purpose of performing the services or otherwise was permanently residing in the United States under color of law at the time the services were performed (including an alien who is lawfully present in the United States as a result of the application of the provisions of section 212(d)(5) (8 U.S.C. s.1182 (d)(5)) of the Immigration and Nationality Act (8 U.S.C. s.1101 et seq.)); provided that any modifications of the provisions of section 3304(a)(14) of the Federal Unemployment Tax Act (26 U.S.C. s.3304 (a)(14)), as provided by Pub.L.94-566, which specify other conditions or other effective dates than stated herein for the denial of benefits based on services performed by aliens and which modifications are required to be implemented under State law as a condition for full tax credit against the tax imposed by the Federal Unemployment Tax Act, shall be deemed applicable under the provisions of this section.
- (2) Any data or information required of individuals applying for benefits to determine whether benefits are not payable to them because of their alien status shall be uniformly required from all applicants for benefits.
- (3) In the case of an individual whose application for benefits would otherwise be approved, no determination that benefits to such individual are not payable because of alien status shall be made except upon a preponderance of the evidence.
- (j) Notwithstanding any other provision of this chapter, the director may, to the extent that it may be deemed efficient and economical, provide for consolidated administration by one or more representatives or deputies of claims made pursuant to subsection (f) of this section with those made pursuant to Article III (State plan) of the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.).

#### 2. R.S.43:21-19 is amended to read as follows:

#### Definitions.

- 43:21-19. Definitions. As used in this chapter (R.S.43:21-1 et seq.), 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 three or five 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 three or five 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 R.S.43:21-7 means the average of the annual payrolls of any employer on which he paid contributions to the State disability benefits fund for the last three or five preceding calendar years, whichever average is higher; provided further that only those wages be included on which

employer contributions have been paid on or before January 31 (or the next succeeding day if such January 31 is a Saturday or Sunday) immediately preceding the beginning of the 12-month 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 (R.S.43:21-1 et seq.), with respect to his unemployment.
- (c) (1) "Base year" with respect to benefit years commencing on or after July 1, 1986, shall mean the first four of the last five completed calendar quarters immediately preceding an individual's benefit year.

With respect to a benefit year commencing on or after July 1, 1995, if an individual does not have sufficient qualifying weeks or wages in his base year to qualify for benefits, the individual shall have the option of designating that his base year shall be the "alternative base year," which means the last four completed calendar quarters immediately preceding the individual's benefit year; except that, with respect to a benefit year commencing on or after October 1, 1995, if the individual also does not have sufficient qualifying weeks or wages in the last four completed calendar quarters immediately preceding his benefit year to qualify for benefits, "alternative base year" means the last three completed calendar quarters immediately preceding his benefit year and, of the calendar quarter in which the benefit year commences, the portion of the quarter which occurs before the commencing of the benefit year.

The division shall inform the individual of his options under this section as amended by P.L.1995, c.234. If information regarding weeks and wages for the calendar quarter or quarters immediately preceding the benefit year is not available to the division from the regular quarterly reports of wage information and the division is not able to obtain the information using other means pursuant to State or federal law, the division may base the determination of eligibility for benefits on the affidavit of an individual with respect to weeks and wages for that calendar quarter. The individual shall furnish payroll documentation, if available, in support of the affidavit. A determination of benefits based on an alternative base year shall be adjusted when the quarterly report of wage information from the employer is received if that information causes a change in the determination.

- (2) With respect to a benefit year commencing on or after June 1, 1990 for an individual who immediately preceding the benefit year was subject to a disability compensable under the provisions of the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.), "base year" shall mean the first four of the last five completed calendar quarters immediately preceding the individual's period of disability, if the employment held by the individual immediately preceding the period of disability is no longer available at the conclusion of that period and the individual files a valid claim for unemployment benefits after the conclusion of that period. For the purposes of this paragraph, "period of disability" means the period defined as a period of disability by section 3 of the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-27). An individual who files a claim under the provisions of this paragraph (2) shall not be regarded as having left work voluntarily for the purposes of subsection (a) of R.S.43:21-5.
- (3) With respect to a benefit year commencing on or after June 1, 1990 for an individual who immediately preceding the benefit year was subject to a disability compensable under the provisions of the workers' compensation law (chapter 15 of Title 34 of the Revised Statutes), "base year" shall mean the first four of the last five completed calendar quarters immediately preceding the individual's period of disability, if the period of disability was not longer than two years, if the employment held by the individual immediately preceding the period of disability is no longer available at the conclusion of that period and if the individual files a valid claim for unemployment benefits after the conclusion of that period. For the purposes of this paragraph, "period of disability" means the period from the time at which the individual becomes unable to work because of the compensable disability until the time that the individual becomes able to resume work and continue work on a permanent basis. An individual who files a claim under the provisions of this paragraph (3) shall not be regarded as having left work voluntarily for the purposes of subsection (a) of R.S.43:21-5.
- (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 R.S.43:21-6 shall be deemed to be a "valid claim" for the purpose of this subsection if (1) 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 R.S.43:21-4.

- (e) (1) "Division" means the Division of Unemployment and Temporary Disability Insurance of the Department of Labor, 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.
- (2) "Controller" means the Office of the Assistant Commissioner for Finance and Controller of the Department of Labor, established by the 1982 Reorganization Plan of the Department of Labor.
- (f) "Contributions" means the money payments to the State Unemployment Compensation Fund, required by R.S.43:21-7. "Payments in lieu of contributions" means the money payments to the State Unemployment Compensation Fund by employers electing or required to make payments in lieu of contributions, as provided in section 3 or section 4 of P.L.1971, c.346 (C.43:21-7.2 or 43:21-7.3).
- (g) "Employing unit" means the State or any of its instrumentalities or any political subdivision thereof or any of its instrumentalities or any instrumentality of more than one of the foregoing or any instrumentality of any of the foregoing and one or more other states or political subdivisions or any individual or type of organization, 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 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 (R.S.43:21-1 et seq.). 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 (R.S.43:21-1 et seq.), 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 in either the current or the preceding calendar year paid remuneration for employment in the amount of \$1,000.00 or more;
- (2) Any employing unit (whether or not an employing unit at the time of acquisition) 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 (R.S.43:21-1 et seq.);
- (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 interest, would be an employer under paragraph (1) of this subsection;
- (5) Any employing unit for which service in employment as defined in R.S.43:21-19 (i) (1) (B) (i) is performed after December 31, 1971; and as defined in R.S.43:21-19 (i) (1) (B) (ii) is performed after December 31, 1977;
- (6) Any employing unit for which service in employment as defined in R.S.43:21-19 (i) (1) (C) is performed after December 31, 1971 and which in either the current or the preceding calendar year paid remuneration for employment in the amount of \$1,000.00 or more;
- (7) Any employing unit not an employer by reason of any other paragraph of this subsection (h) for which, within either the current or preceding calendar year, service is or was performed

with respect to which such employing unit is liable for any federal tax against which credit may be taken for contributions required to be paid into a state unemployment fund; or which, as a condition for approval of the "unemployment compensation law" for full tax credit against the tax imposed by the Federal Unemployment Tax Act, is required pursuant to such act to be an employer under this chapter (R.S.43:21-1 et seq.);

- (8) (Deleted by amendment; P.L.1977, c.307.)
- (9) (Deleted by amendment; P.L.1977, c.307.)
- (10) (Deleted by amendment; P.L.1977, c.307.)
- (11) Any employing unit subject to the provisions of the Federal Unemployment Tax Act within either the current or the preceding calendar year, except for employment hereinafter excluded under paragraph (7) of subsection (i) of this section;
- (12) Any employing unit for which agricultural labor in employment as defined in R.S.43:21-19 (i) (1) (I) is performed after December 31, 1977;
- (13) Any employing unit for which domestic service in employment as defined in R.S.43:21-19 (i) (1) (J) is performed after December 31, 1977;
- (14) Any employing unit which having become an employer under the "unemployment compensation law" (R.S.43:21-1 et seq.), has not under R.S.43:21-8 ceased to be an employer; or for the effective period of its election pursuant to R.S.43:21-8, any other employing unit which has elected to become fully subject to this chapter (R.S.43:21-1 et seq.).
  - (i) (1) "Employment" means:
- (A) Any service performed prior to January 1, 1972, which was employment as defined in the "unemployment compensation law" (R.S.43:21-1 et seq.) prior to such date, and, subject to the other provisions of this subsection, service performed on or after January 1, 1972, including service in interstate commerce, performed for remuneration or under any contract of hire, written or oral, express or implied.
- (B) (i) Service performed after December 31, 1971 by an individual in the employ of this State or any of its instrumentalities or in the employ of this State and one or more other states or their instrumentalities for a hospital or institution of higher education located in this State, if such service is not excluded from "employment" under paragraph (D) below.
- (ii) Service performed after December 31, 1977, in the employ of this State or any of its instrumentalities or any political subdivision thereof or any of its instrumentalities or any instrumentality of more than one of the foregoing or any instrumentality of the foregoing and one or more other states or political subdivisions, if such service is not excluded from "employment" under paragraph (D) below.
- (C) Service performed after December 31, 1971 by an individual in the employ of a religious, charitable, educational, or other organization, which is excluded from "employment" as defined in the Federal Unemployment Tax Act, solely by reason of section 3306 (c) (8) of that act, if such service is not excluded from "employment" under paragraph (D) below.
- (D) For the purposes of paragraphs (B) and (C), the term "employment" does not apply to services performed
- (i) In the employ of (I) a church or convention or association of churches, or (II) an organization, or school which is operated primarily for religious purposes and which is operated, supervised, controlled or principally supported by a church or convention or association of churches;
- (ii) By a duly ordained, commissioned, or licensed minister of a church in the exercise of his ministry or by a member of a religious order in the exercise of duties required by such order;
- (iii) Prior to January 1, 1978, in the employ of a school which is not an institution of higher education, and after December 31, 1977, in the employ of a governmental entity referred to in R.S.43:21-19 (i) (1) (B), if such service is performed by an individual in the exercise of duties
  - (aa) as an elected official;
- (bb) as a member of a legislative body, or a member of the judiciary, of a state or political subdivision;
  - (cc) as a member of the State National Guard or Air National Guard;
- (dd) as an employee serving on a temporary basis in case of fire, storm, snow, earthquake, flood or similar emergency;

- (ee) in a position which, under or pursuant to the laws of this State, is designated as a major nontenured policy making or advisory position, or a policy making or advisory position, the performance of the duties of which ordinarily does not require more than eight hours per week; or
- (iv) By an individual receiving rehabilitation or remunerative work in a facility conducted for the purpose of carrying out a program of rehabilitation of individuals whose earning capacity is impaired by age or physical or mental deficiency or injury or providing remunerative work for individuals who because of their impaired physical or mental capacity cannot be readily absorbed in the competitive labor market;
- (v) By an individual receiving work-relief or work-training as part of an unemployment work-relief or work-training program assisted in whole or in part by any federal agency or an agency of a state or political subdivision thereof; or
- (vi) Prior to January 1, 1978, for a hospital in a State prison or other State correctional institution by an inmate of the prison or correctional institution and after December 31, 1977, by an inmate of a custodial or penal institution.
- (E) The term "employment" shall include the services of an individual who is a citizen of the United States, performed outside the United States after December 31, 1971 (except in Canada and in the case of the Virgin Islands, after December 31, 1971) and prior to January 1 of the year following the year in which the U.S. Secretary of Labor approves the unemployment compensation law of the Virgin Islands, under section 3304 (a) of the Internal Revenue Code of 1986 (26 U.S.C. s.3304 (a)) in the employ of an American employer (other than the service which is deemed employment under the provisions of R.S.43:21-19 (i) (2) or (5) or the parallel provisions of another state's unemployment compensation law), if
- (i) The American employer's principal place of business in the United States is located in this State; or
- (ii) The American employer has no place of business in the United States, but (I) the American employer is an individual who is a resident of this State; or (II) the American employer is a corporation which is organized under the laws of this State; or (III) the American employer is a partnership or trust and the number of partners or trustees who are residents of this State is greater than the number who are residents of another state; or
- (iii) None of the criteria of divisions (i) and (ii) of this subparagraph (E) is met but the American employer has elected to become an employer subject to the "unemployment compensation law" (R.S.43:21-1 et seq.) in this State, or the American employer having failed to elect to become an employer in any state, the individual has filed a claim for benefits, based on such service, under the law of this State;
- (iv) An "American employer," for the purposes of this subparagraph (E), means (I) an individual who is a resident of the United States; or (II) a partnership, if two-thirds or more of the partners are residents of the United States; or (III) a trust, if all the trustees are residents of the United States; or (IV) a corporation organized under the laws of the United States or of any state.
- (F) Notwithstanding R.S.43:21-19 (i) (2), all service performed after January 1, 1972 by an officer or member of the crew of an American vessel or American aircraft on or in connection with such vessel or aircraft, if the operating office from which the operations of such vessel or aircraft operating within, or within and without, the United States are ordinarily and regularly supervised, managed, directed, and controlled, is within this State.
- (G) Notwithstanding any other provision of this subsection, service in this State with respect to which the taxes required to be paid under any federal law imposing a tax against which credit may be taken for contributions required to be paid into a state unemployment fund or which as a condition for full tax credit against the tax imposed by the Federal Unemployment Tax Act is required to be covered under the "unemployment compensation law" (R.S.43:21-1 et seq.).
- (H) The term "United States" when used in a geographical sense in subsection R.S.43:21-19 (i) includes the states, the District of Columbia, the Commonwealth of Puerto Rico and, effective on the day after the day on which the U.S. Secretary of Labor approves for the first time under section 3304 (a) of the Internal Revenue Code of 1986 (26 U.S.C. s.3304 (a)) an unemployment compensation law submitted to the Secretary by the Virgin Islands for such approval, the Virgin

Islands.

- (I) (i) Service performed after December 31, 1977 in agricultural labor in a calendar year for an entity which is an employer as defined in the "unemployment compensation law," (R.S.43:21-1 et seq.) as of January 1 of such year; or for an employing unit which
- (aa) during any calendar quarter in either the current or the preceding calendar year paid remuneration in cash of \$20,000.00 or more for individuals employed in agricultural labor, or
- (bb) for some portion of a day in each of 20 different calendar weeks, whether or not such weeks were consecutive, in either the current or the preceding calendar year, employed in agricultural labor 10 or more individuals, regardless of whether they were employed at the same moment in time.
- (ii) for the purposes of this subsection any individual who is a member of a crew furnished by a crew leader to perform service in agricultural labor for any other entity shall be treated as an employee of such crew leader
- (aa) if such crew leader holds a certification of registration under the Migrant and Seasonal Agricultural Worker Protection Act, Pub.L.97-470 (29 U.S.C. s.1801 et seq.), or P.L.1971, c.192 (C.34:8A-7 et seq.); or substantially all the members of such crew operate or maintain tractors, mechanized harvesting or cropdusting equipment, or any other mechanized equipment, which is provided by such crew leader; and
- (bb) if such individual is not an employee of such other person for whom services were performed.
- (iii) For the purposes of subparagraph (I) (i) in the case of any individual who is furnished by a crew leader to perform service in agricultural labor or any other entity and who is not treated as an employee of such crew leader under (I) (ii)
- (aa) such other entity and not the crew leader shall be treated as the employer of such individual; and
- (bb) such other entity shall be treated as having paid cash remuneration to such individual in an amount equal to the amount of cash remuneration paid to such individual by the crew leader (either on his own behalf or on behalf of such other entity) for the service in agricultural labor performed for such other entity.
  - (iv) For the purpose of subparagraph (I)(ii), the term "crew leader" means an individual who
  - (aa) furnishes individuals to perform service in agricultural labor for any other entity;
- (bb) pays (either on his own behalf or on behalf of such other entity) the individuals so furnished by him for the service in agricultural labor performed by them; and
- (cc) has not entered into a written agreement with such other entity under which such individual is designated as an employee of such other entity.
- (J) Domestic service after December 31, 1977 performed in the private home of an employing unit which paid cash remuneration of \$1,000.00 or more to one or more individuals for such domestic service in any calendar quarter in the current or preceding calendar year.
- (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 (R.S.43:21-1 et seq.) 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 (R.S.43:21-1 et seq.) if the individual performing such services is a resident of this State and the employing unit for whom such

services are performed files with the division an election that the entire service of such individual shall be deemed to be employment subject to this chapter (R.S.43:21-1 et seq.).

- (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 (R.S.43:21-1 et seq.) 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) Provided that such services are also exempt under the Federal Unemployment Tax Act, as amended, or that contributions with respect to such services are not required to be paid into a state unemployment fund as a condition for a tax offset credit against the tax imposed by the Federal Unemployment Tax Act, as amended, the term "employment" shall not include:
- (A) Agricultural labor performed prior to January 1, 1978; and after December 31, 1977, only if performed in a calendar year for an entity which is not an employer as defined in the "unemployment compensation law," (R.S.43:21-1 et seq.) as of January 1 of such calendar year; or unless performed for an employing unit which
- (i) during a calendar quarter in either the current or the preceding calendar year paid remuneration in cash of \$20,000.00 or more to individuals employed in agricultural labor, or
- (ii) for some portion of a day in each of 20 different calendar weeks, whether or not such weeks were consecutive, in either the current or the preceding calendar year, employed in agricultural labor 10 or more individuals, regardless of whether they were employed at the same moment in time;
- (B) Domestic service in a private home performed prior to January 1, 1978; and after December 31, 1977, unless performed in the private home of an employing unit which paid cash remuneration of \$1,000.00 or more to one or more individuals for such domestic service in any calendar quarter in the current or preceding calendar year;
- (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 18 in the employ of his father or mother;
- (D) Service performed prior to January 1, 1978, in the employ of this State or of any political subdivision thereof or of any instrumentality of this State or its political subdivisions, except as provided in R.S.43:21-19 (i) (1) (B) above, and service in the employ of the South Jersey Port Corporation or its successors;
- (E) Service performed in the employ of any other state or its political subdivisions or of an instrumentality of any other state or states or their political subdivisions to the extent that such instrumentality is with respect to such service exempt under the Constitution of the United States from the tax imposed under the Federal Unemployment Tax Act, as amended, except as provided in R.S.43:21-19 (i) (1) (B) above;
- (F) Service performed in the employ of the United States Government or of any instrumentality of the United States except under the Constitution of the United States from the contributions imposed by the "unemployment compensation law," except that to the extent that the Congress of the United States shall permit states to require any instrumentalities of the United States to make payments into an unemployment fund under a state unemployment compensation law, all of the provisions of this act shall be applicable to such instrumentalities, and to service performed for such instrumentalities, in the same manner, to the same extent and on the same terms as to all other employers, employing units, individuals and services; provided that if this State shall not be certified for any year by the Secretary of Labor of the United States

under section 3304 of the federal Internal Revenue Code of 1986 (26 U.S.C. s.3304), the payments required of such instrumentalities with respect to such year shall be refunded by the division from the fund in the same manner and within the same period as is provided in R.S.43:21-14 (f) with respect to contributions erroneously paid to or collected by the division;

- (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 a member of the board of directors, a board of trustees, a board of managers, or a committee of any bank, building and loan, or savings and loan association, incorporated or organized under the laws of this State or of the United States, where such services do not constitute the principal employment of the individual;
- (I) Service with respect to which unemployment insurance is payable under an unemployment insurance program established by an Act of Congress;
- (J) Service performed by agents of mutual fund brokers or dealers in the sale of mutual funds or other securities, by agents of insurance companies, exclusive of industrial insurance agents or by agents of investment companies, if the compensation to such agents for such services is 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 performed for or in behalf of the owner or operator of any theatre, 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 after January 1, 1973 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 \$1,000.00 in a calendar year;
- (O) Services performed in the sale or distribution of merchandise by home-to-home salespersons or in-the-home demonstrators whose remuneration consists wholly of commissions or commissions and bonuses;
- (P) Service performed in the employ of a foreign government, including service as a consular, nondiplomatic representative, or other officer or employee;
- (Q) Service performed in the employ of an instrumentality wholly owned by a foreign government if (i) the service is of a character similar to that performed in foreign countries by employees of the United States Government or of an instrumentality thereof, and (ii) the division finds that the United States Secretary of State has certified to the United States Secretary of the Treasury that the foreign government, with respect to whose instrumentality exemption is claimed, grants an equivalent exemption with respect to similar services performed in the foreign country by employees of the United States Government and of instrumentalities thereof;
- (R) Service in the employ of an international organization entitled to enjoy the privileges, exemptions and immunities under the International Organizations Immunities Act (22 U.S.C. s.288 et seq.);
- (S) Service covered by an election duly approved by an agency charged with the administration of any other state or federal unemployment compensation or employment security law, in accordance with an arrangement pursuant to R.S.43:21-21 during the effective period of such election;
- (T) Service performed in the employ of a school, college, or university if such service is performed (i) by a student enrolled at such school, college, or university on a full-time basis in an educational program or completing such educational program leading to a degree at any of the severally recognized levels, or (ii) by the spouse of such a student, if such spouse is advised at the time such spouse commences to perform such service that (I) the employment of such

spouse to perform such service is provided under a program to provide financial assistance to such student by such school, college, or university, and (II) such employment will not be covered by any program of unemployment insurance;

- (U) Service performed by an individual who is enrolled at a nonprofit or public educational institution which normally maintains a regular faculty and curriculum and normally has a regularly organized body of students in attendance at the place where its educational activities are carried on, as a student in a full-time program, taken for credit at such institution, which combines academic instruction with work experience, if such service is an integral part of such program, and such institution has so certified to the employer, except that this subparagraph shall not apply to service performed in a program established for or on behalf of an employer or group of employers;
- (V) Service performed in the employ of a hospital, if such service is performed by a patient of the hospital; service performed as a student nurse in the employ of a hospital or a nurses' training school by an individual who is enrolled and regularly attending classes in a nurses' training school approved under the laws of this State; and service performed as an intern in the employ of a hospital by an individual who has completed a four-year course in a medical school approved pursuant to the laws of this State;
- (W) Services performed after the effective date of this amendatory act by agents of mutual benefit associations if the compensation to such agents for such services is wholly on a commission basis;
- (X) Services performed by operators of motor vehicles weighing 18,000 pounds or more, licensed for commercial use and used for the highway movement of motor freight, who own their equipment or who lease or finance the purchase of their equipment through an entity which is not owned or controlled directly or indirectly by the entity for which the services were performed and who were compensated by receiving a percentage of the gross revenue generated by the transportation move or by a schedule of payment based on the distance and weight of the transportation move;
- (Y) Services performed by a certified shorthand reporter certified pursuant to P.L.1940, c.175 (C.45:15B-1 et seq.), provided to a third party by the reporter who is referred to the third party pursuant to an agreement with another certified shorthand reporter or shorthand reporting service, on a freelance basis, compensation for which is based upon a fee per transcript page, flat attendance fee, or other flat minimum fee, or combination thereof, set forth in the agreement;
- (Z) Services performed, using facilities provided by a travel agent, by a person, commonly known as an outside travel agent, who acts as an independent contractor, is paid on a commission basis, sets his own work schedule and receives no benefits, sick leave, vacation or other leave from the travel agent owning the facilities.
- (8) If one-half or more of the services in any pay period performed by an individual for an employing unit constitutes employment, all the services of such individual shall be deemed to be employment; but if more than one-half of the service in any pay period performed by an individual for an employing unit does not constitute employment, then none of the service of such individual shall be deemed to be employment. As used in this paragraph, the term "pay period" means a period of not more than 31 consecutive days for which a payment for service is ordinarily made by an employing unit to individuals in its employ.
- (9) Services performed by the owner of a limousine franchise (franchisee) shall not be deemed to be employment subject to the "unemployment compensation law," R.S.43:21-1 et seq., with regard to the franchisor if:
  - (A) The limousine franchisee is incorporated;
  - (B) The franchisee is subject to regulation by the Interstate Commerce Commission;
- (C) The limousine franchise exists pursuant to a written franchise arrangement between the franchisee and the franchisor as defined by section 3 of P.L.1971, c.356 (C.56:10-3); and
- (D) The franchisee registers with the Department of Labor and receives an employer registration number.
- (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) (Deleted by amendment, P.L.1984, c.24.)

- (l) "State" includes, in addition to the states of the United States of America, the District of Columbia, the Virgin Islands and Puerto Rico.
  - (m) "Unemployment."
  - (1) An individual shall be deemed "unemployed" for any week during which:
- (A) The individual is not engaged in full-time work and with respect to which his remuneration is less than his weekly benefit rate, including any week during which he is on vacation without pay; provided such vacation is not the result of the individual's voluntary action, except that for benefit years commencing on or after July 1, 1984, an officer of a corporation, or a person who has more than a 5% equitable or debt interest in the corporation, whose claim for benefits is based on wages with that corporation shall not be deemed to be unemployed in any week during the individual's term of office or ownership in the corporation; or
- (B) The individual is eligible for and receiving a self-employment assistance allowance pursuant to the requirements of P.L.1995, c.394 (C.43:21-67 et al.).
- (2) The term "remuneration" with respect to any individual for benefit years commencing on or after July 1, 1961, and as used in this subsection, shall include only that part of the same which in any week exceeds 20% of his weekly benefit rate (fractional parts of a dollar omitted) or \$5.00, whichever is the larger.
- (3) An individual's week of unemployment shall be deemed to commence only after the individual has filed a claim at an unemployment insurance claims 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 (R.S.43:21-1 et seq.), from which administrative expenses under this chapter (R.S.43:21-1 et seq.) shall be paid.
- (o) "Wages" means remuneration paid by employers for employment. If a worker receives gratuities regularly in the course of his employment from other than his employer, his "wages" shall also include the gratuities so received, if reported in writing to his employer in accordance with regulations of the division, and if not so reported, his "wages" shall be determined in accordance with the minimum wage rates prescribed under any labor law or regulation of this State or of the United States, or the amount of remuneration actually received by the employee from his employer, whichever is the higher.
- (p) "Remuneration" means all compensation for personal services, including commission and bonuses and the cash value of all compensation in any medium other than cash.
- (q) "Week" means for benefit years commencing on or after October 1, 1984, the calendar week ending at midnight Saturday, or as the division may by regulation prescribe.
- (r) "Calendar quarter" means the period of three consecutive calendar months ending March 31, June 30, September 30, or December 31.
- (s) "Investment company" means any company as defined in subsection a. of section 1 of P.L.1938, c.322 (C.17:16A-1).
  - (t) (1) (Deleted by amendment, P.L.2001, c.17).
  - (2) "Base week," commencing on or after January 1, 1996 and before January 1 2001, means:
- (A) Any calendar week during which the individual earned in employment from an employer remuneration not less than an amount which is 20% of the Statewide average weekly remuneration defined in subsection (c) of R.S.43:21-3 which amount shall be adjusted to the next higher multiple of \$1.00 if not already a multiple thereof, except that if in any calendar week an individual subject to this subparagraph (A) is in employment with more than one employer, the individual may in that calendar week establish a base week with respect to each of the employers from whom the individual earns remuneration equal to not less than the amount defined in this subparagraph (A) during that week; or
- (B) If the individual does not establish in his base year 20 or more base weeks as defined in subparagraph (A) of this paragraph (2), any calendar week of an individual's base year during which the individual earned in employment from an employer remuneration not less than an amount 20 times the minimum wage in effect pursuant to section 5 of P.L.1966, c.113 (C.34:11-56a4) on October 1 of the calendar year preceding the calendar year in which the benefit year commences, which amount shall be adjusted to the next higher multiple of \$1.00 if

not already a multiple thereof, except that if in any calendar week an individual subject to this subparagraph (B) is in employment with more than one employer, the individual may in that calendar week establish a base week with respect to each of the employers from whom the individual earns remuneration not less than the amount defined in this subparagraph (B) during that week.

- (3) "Base week," commencing on or after January 1, 2001, means any calendar weekduring which the individual earned in employment from an employer remuneration not less than an amount 20 times the minimum wage in effect pursuant to section 5 of P.L.1966, c.113 (C.34:11-56a4) on October 1 of the calendar year preceding the calendar year in which the benefit year commences, which amount shall be adjusted to the next higher multiple of \$1.00 if not already a multiple thereof, except that if in any calendar week an individual subject to this paragraph (3) is in employment with more than one employer, the individual may in that calendar week establish a base week with respect to each of the employers from whom the individual earns remuneration equal to not less than the amount defined in this paragraph (3) during that week.
- (u) "Average weekly wage" means the amount derived by dividing an individual's total wages received during his base year base weeks (as defined in subsection (t) of this section) from that most recent base year employer with whom he has established at least 20 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 20 base weeks, then such individual's average weekly wage shall be computed as if all of his base week wages were received from one employer and as if all his base weeks of employment had been performed in the employ of one employer.

For the purpose of computing the average weekly wage, the monetary alternative in subparagraph (B) of paragraph (2) of subsection (e) of R.S.43:21-4 shall only apply in those instances where the individual did not have at least 20 base weeks in the base year. For benefit years commencing on or after July 1, 1986, "average weekly wage" means the amount derived by dividing an individual's total base year wages by the number of base weeks worked by the individual during the base year; provided that for the purpose of computing the average weekly wage, the maximum number of base weeks used in the divisor shall be 52.

- (v) "Initial determination" means, subject to the provisions of R.S.43:21-6(b)(2) 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. For benefit years commencing prior to July 1, 1986, subject to the provisions of R.S.43:21-3(d)(3), if an individual has been in employment in his base year with more than one 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 service in employment in the base year.
- (y) (1) "Educational institution" means any public or other nonprofit institution (including an institution of higher education):
- (A) In which participants, trainees, or students are offered an organized course of study or training designed to transfer to them knowledge, skills, information, doctrines, attitudes or abilities from, by or under the guidance of an instructor or teacher;
- (B) Which is approved, licensed or issued a permit to operate as a school by the State Department of Education or other government agency that is authorized within the State to approve, license or issue a permit for the operation of a school; and
- (C) Which offers courses of study or training which may be academic, technical, trade, or preparation for gainful employment in a recognized occupation.
  - (2) "Institution of higher education" means an educational institution which:
- (A) Admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;
  - (B) Is legally authorized in this State to provide a program of education beyond high school;

- (C) Provides an educational program for which it awards a bachelor's or higher degree, or provides a program which is acceptable for full credit toward such a degree, a program of post-graduate or post-doctoral studies, or a program of training to prepare students for gainful employment in a recognized occupation; and
  - (D) Is a public or other nonprofit institution.

Notwithstanding any of the foregoing provisions of this subsection, all colleges and universities in this State are institutions of higher education for purposes of this section.

- (z) "Hospital" means an institution which has been licensed, certified or approved under the law of this State as a hospital.
  - 3. Section 3 of P.L.1948, c.110 (C.43:21-27) is amended to read as follows:

#### C.43:21-27 Definitions.

- 3. As used in this act, unless the context clearly requires otherwise:
- (a)(1) "Covered employer" 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, who is an employer subject to the chapter to which this act is a supplement, designated as the "unemployment compensation law" (R.S. 43:21-1 et seq.), except the State, its political subdivisions, and any instrumentality of the State unless such governmental entity elects to become a covered employer under the "Temporary Disability Benefits Law"; provided, however, that commencing with the effective date of this act the State of New Jersey, including Rutgers, The State University, the University of Medicine and Dentistry of New Jersey and the New Jersey Institute of Technology, shall be deemed a covered employer, as defined herein.
- (2) Any governmental entity or instrumentality which is an employer under R.S. 43:21-19(h)(5) may elect to become a "covered employer" under this subsection beginning with the date on which its coverage under subsection 19(h)(5) begins or as of January 1 of any year thereafter by filing written notice of such election with the division within at least 30 days of the effective date. Such election shall remain in effect for at least two full calendar years and may be terminated as of January 1 of any year thereafter by filing with the division a written notice of termination at least 30 days prior to the termination date.
- (b) "Covered individual" means any person who is in employment, as defined in the chapter to which this act is a supplement, for which the individual is entitled to remuneration from a covered employer, or who has been out of such employment for less than two weeks. However, a "covered individual" who is employed by the State of New Jersey, including Rutgers, The State University, the University of Medicine and Dentistry of New Jersey and the New Jersey Institute of Technology, or by any governmental entity or instrumentality which elects to become a "covered employer" pursuant to this amendatory act, shall not be eligible to receive any benefits under the "Temporary Disability Benefits Law" until such individual has exhausted all sick leave accumulated as an employee in the classified service of the State or accumulated under terms and conditions similar to classified employees or accumulated under the terms and conditions pursuant to the laws of this State or as the result of a negotiated contract with any governmental entity or instrumentality which elects to become a "covered employer."

"Covered individual" shall not mean any member of the Division of State Police in the Department of Law and Public Safety.

- (c) "Division" or "commission" means the Division of Unemployment and Temporary Disability Insurance of the Department of Labor, and any transaction or exercise of authority by the director of the division shall be deemed to be performed by the division.
  - (d) "Day" shall mean a full calendar day beginning and ending at midnight.
  - (e) "Disability" shall mean such disability as is compensable under section 5 of this act.
- (f) "Disability benefits" shall mean any cash payments which are payable to a covered individual pursuant to this act.
- (g) "Period of disability" with respect to any individual shall mean the entire period of time during which the individual is continuously and totally unable to perform the duties of his

employment, except that two periods of disability due to the same or related cause or condition and separated by a period of not more than 14 days shall be considered as one continuous period of disability; provided the individual has earned wages during such 14-day period with the employer who was the individual's last employer immediately preceding the first period of disability.

- (h) "Wages" shall mean all compensation payable by covered employers to covered individuals for personal services, including commissions and bonuses and the cash value of all compensation payable in any medium other than cash.
  - (i)(1) (Deleted by amendment, P.L.2001, c.17).
  - (2) (Deleted by amendment, P.L.2001, c.17).
- (3) "Base week" with respect to periods of disability commencing on or after October 1, 1985 and before January 1, 2001, means any calendar week during which an individual earned in employment from a covered employer remuneration equal to not less than 20% of the Statewide average weekly remuneration as determined under subsection (c) of R.S.43:21-3, which shall be adjusted to the next higher multiple of \$1.00 if not already a multiple thereof.
- (4) "Base week" with respect to periods of disability commencing on or after January 1, 2001, means any calendar week of an individual's base year during which the individual earned in employment from a covered employer remuneration not less than an amount 20 times the minimum wage in effect pursuant to section 5 of P.L.1966, c.113 (C.34:11-56a4) on October 1 of the calendar year preceding the calendar year in which the benefit year commences, which amount shall be adjusted to the next higher multiple of \$1.00 if not already a multiple thereof, except that if in any calendar week an individual subject to this paragraph is in employment with more than one employer, the individual may in that calendar week establish a base week with respect to each of the employers from whom the individual earns remuneration equal to not less than the amount defined in this paragraph during that week.
- (j) "Average weekly wage" means the amount derived by dividing a covered individual's total wages earned from the individual's most recent covered employer during the base weeks in the eight calendar weeks immediately preceding the calendar week in which disability commenced, by the number of such base weeks. If this computation yields a result which is less than the individual's average weekly earnings in employment, as defined in the chapter to which this act is a supplement, with all covered employers during the base weeks in such eight calendar weeks, then the average weekly wage shall be computed on the basis of earnings from all covered employers during the eight base weeks immediately preceding the week in which the disability commenced.
  - 4. Section 17 of P.L.1948, c.110 (C.43:21-41) is amended to read as follows:

C.43:21-41 Entitlement for disability benefits.

- 17. (a) (Deleted by amendment, P.L.1975, c.355.)
- (b) (Deleted by amendment, P.L.2001, c.17).
- (c) (Deleted by amendment, P.L.2001, c.17).
- (d) With respect to periods of disability commencing on or after October 1, 1984 and before January 1, 2001, no individual shall be entitled to benefits under this act unless the individual has established at least 20 base weeks within the 52 calendar weeks preceding the week in which the individual's period of disability commenced, or, in the alternative, the individual has earned twelve times the Statewide average weekly remuneration paid to workers, as determined under subsection (c) of R.S. 43:21-3, raised to the next higher multiple of \$100.00, if not already a multiple thereof, or more within the 52 calendar weeks preceding the week in which the period of disability commenced, nor shall the individual be entitled to benefits unless he shall duly file notice and proof of claim, and submit to such reasonable examinations as are required by this act and the rules and regulations of the division.
- (2) With respect to periods of disability commencing on or after January 1, 2001, no individual shall be entitled to benefits under this act unless the individual has, within the 52 calendar weeks preceding the week in which the individual's period of disability commenced, established at least 20 base weeks or earned not less than 1,000 times the minimum wage in

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effect pursuant to section 5 of P.L.1996, c.113 (C.34:11-56a4) on October 1 of the calendar year preceding the calendar year in which the disability commences, which amount shall be adjusted to the next higher multiple of \$100.00, if not already a multiple thereof.

5. This act shall take effect immediately.

Approved January 29, 2001.

PO BOX 004 TRENTON, NJ 08625

# Office of the Governor NEWS RELEASE

CONTACT: Jayne O'Connor Laura Otterbourg 609-777-2600

RELEASE: January 29, 2001

#### Governor Whitman today signed the following legislation:

**A-3038**, sponsored by Assembly Members Malone (R-Burlington/Monmouth/Ocean) and Cottrell (R-Burlington/Monmouth/Ocean) and Senators Singer (R-Burlington/Monmouth/Ocean) and DiFrancesco (R-Middlesex/Morris/Somerset/Union), permits religious or charitable organizations to lease property to other tax-exempt entities without losing their property tax exemption.

**A-1849**, sponsored by Assembly Members Merkt (R-Morris) and Augustine (R-Middlesex/Morris/Somerset/Union) and Senators Singer (R-Burlington/Monmouth/Ocean), Bucco (R-Morris) and Martin (R-Essex/Morris/Passaic), permits counties to increase the maximum daily compensation for members of election boards from \$100 to an amount not to exceed \$150.

**S-254**, sponsored by Senators Bennett (R-Monmouth) and Bucco (R-Morris) and Assembly Member Geist (R-Camden/Gloucester), amends the law concerning the reforestation of land owned or maintained by a State entity. Under current law, whenever a State entity plans to deforest an area at least one acre in size, the entity is required to adopt a plan to reforest the area. This bill reduces the size threshold to one-half acre, requiring the State to develop a reforestation plan whenever an entity plans to deforest an area one-half acre in size.

**S-382**, sponsored by Senator Sinagra (R-Middlesex) and Assembly Members Weingarten (R-Essex/Union) and Kelly (R-Bergen/Essex/Passaic) makes a supplemental appropriation of \$50,000 to the Department of Community Affairs for a grant to the National Association for Children with Autism, Inc. in Livingston.

**A-2614**, sponsored by Assembly Members Gregg (R-Sussex/Hunterdon/Morris) and Thompson (R-Middlesex/Monmouth), modifies the eligibility requirements for unemployment insurance and temporary disability insurance benefits.

**A-895**, sponsored by Assembly Members Bateman (R-Morris/Somerset) and Biondi (R-Morris/Somerset) and Senators Singer (R-Burlington/Monmouth/Ocean) and Bark (R-Atlantic/Burlington/Camden), establishes a special license to promote agriculture.

**S-462**, sponsored by Senators Singer (R-Burlington/Monmouth/Ocean) and Kosco (R-Bergen) and Assembly Members Malone (R-Burlington/Monmouth/Ocean) and Cottrell (R-Burlington/Monmouth/Ocean), creates a drunk driver visitation program.

**A-2006**, sponsored by Assembly Member O'Toole (R-Essex/Union) requires a sentence imposed on inmates for assault on corrections and law enforcement employees to run consecutively to other sentences.

SCS for S-141 and S-1054, sponsored by Senators Bark (R-Atlantic/Burlington/ Camden), Singer (R-Burlington/Monmouth.Ocean), Matheussen (R-Camden/Gloucester) and Martin (R-Essex/ Morris/Passaic) and Assembly Members Bodine (R-Atlantic/Burlington/ Camden) and Chatzidakis (R-Atlantic/Burlington/Camden), increases the number of tuition-free credits that a member of the National Guard may earn in undergraduate study and extends the credits to graduate study.