

34:15-95.4

LEGISLATIVE HISTORY CHECKLIST

NJSA 34:15-95.4 (Disabled workers--special adjustment benefits  
--retroactive to June, 1980)

LAWS 1981 CHAPTER 149

Bill No. A3187

Sponsor(s) Cowan

Date Introduced Feb. 23, 1981

Committee: Assembly \_\_\_\_\_

Senate \_\_\_\_\_

Amended during passage  Yes  No

Date of Passage: Assembly March 2, 1981

Senate March 23, 1981

Date of approval March 21, 1981

Following statements are attached if available:

Sponsor statement  Yes  No

Committee Statement: Assembly  Yes  No

Senate  Yes  No

Fiscal Note  Yes  No

Veto Message  Yes  No

Message on signing  Yes  No

Following were printed:

Reports  Yes  No

Hearings  Yes  No

ASSEMBLY, No. 3187

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 23, 1981

By Assemblyman COWAN

(Without Reference)

AN ACT concerning workers' compensation offsets and amending  
P. L. 1980, c. 83.

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

1 1. Section 1 of P. L. 1980, c. 83 (C. 34:15-95.4) is amended to  
2 read as follows:

3 1. Any employee or dependent receiving further weekly benefits  
4 as provided under R. S. 34:15-95, R. S. 34:15-12(b) or R. S. 34:15-13  
5 at a rate applicable prior to January 1, 1980, and whose payment  
6 is less than the maximum compensation rate in effect for the year  
7 1980 shall be entitled to receive a special adjustment benefit payment  
8 from the fund provided for by R. S. 34:15-94 and R. S. 34:15-95  
9 and from those sources as provided for by this amendatory and  
10 supplementary act.

11 Any dependent, as defined in R. S. 34:15-13, of a person totally  
12 disabled who dies while receiving compensation from the fund pro-  
13 vided for by R. S. 34:15-94 and 34:15-95, shall become entitled to  
14 dependent benefits under this chapter which are comparable to  
15 payments made to other dependents under the Workers' Compensa-  
16 tion Law, on or after the effective date of this amendatory and  
17 supplementary act.

18 All compensation payments made under this chapter to a de-  
19 pendent, as defined under R. S. 34:15-13, of an individual who dies  
20 while receiving such compensation, shall be payable only where the  
21 compensable occupational injury or disease of the decedent is a  
22 material contributing factor to his death.

23 The payment of these adjustment benefits shall be paid to an  
24 employee or dependent as long as the employee or dependent is  
25 eligible to receive payments under R. S. 34:15-95, R. S. 34:15-12(b),  
26 R. S. 34:15-13, or this section.

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

27 The amount of the special adjustment benefit payment shall be  
28 such that when added to the worker's compensation rate awarded  
29 pursuant to R. S. 34:15-95, R. S. 34:15-12(b), R. S. 34:15-13 or  
30 this section as a result of injury or death, the total shall bear the  
31 same percentage relationship to the 1980 maximum workers' com-  
32 pensation rate that the worker's own compensation rate awarded  
33 as a result of the injury or death bears to the then effective  
34 maximum workers' compensation rate. The amount of the special  
35 adjustment benefit shall be payable at a rate of 35% of the adjust-  
36 ment during the fiscal year 1981 commencing July 1, 1980; 75%  
37 of the adjustment during the fiscal year 1982; and 100% of the  
38 adjustment during the fiscal year 1983 and thereafter. The special  
39 adjustment benefit payment provided herein shall be reduced by  
40 an amount equal to the individual's benefit payable under the  
41 Federal Old-Age Survivors and Disability Insurance Act (not  
42 including increases in such benefits due to any Federal statutory  
43 increases after ~~June 30~~ *May 31*, 1980), Black Lung benefits, or  
44 the employer's share of disability pension payments received from  
45 or on account of an employer. Where any person refuses to autho-  
46 rize the release of information concerning the amount of benefits  
47 payable under the aforementioned benefits, the division's estimate  
48 of said amount shall be deemed to be correct unless and until the  
49 actual amount is established and no adjustment shall be made for  
50 any period of time covered by any such refusal.

51 Payments of the adjustment shall be made from the fund created  
52 under R. S. 34:15-94 in the manner hereinafter provided. The Com-  
53 missioner of Labor and Industry shall make payments from the fund  
54 directly to the persons who are now receiving benefits under R. S.  
55 34:15-95 and to their dependents becoming eligible for dependents  
56 benefits under this amendatory and supplementary act by increas-  
57 ing or, as the case may be, setting the weekly compensation pay-  
58 ments to include the weekly adjustment. In the case of persons who  
59 are entitled to compensation under R. S. 34:15-12(b) or R. S.  
60 34:15-13, the insurance carrier or self-insured employer in the  
61 second and subsequent fiscal years after enactment shall increase  
62 the weekly compensation payments to include the weekly adjust-  
63 ment and shall credit the payments against the assessments payable  
64 by the insurance carrier or self-insurer under R. S. 34:15-94. The  
65 insurance carrier or self-insurer claiming such credit shall submit  
66 vouchers upon forms prescribed by the Commissioner of Labor  
67 and Industry identifying each case and indicating the weekly benefit  
68 adjustment applicable thereto.

1 2. This act shall take effect immediately and shall be applicable  
2 to benefits payable on and after July 1, 1980.

## STATEMENT

This bill would provide for payment of the "special adjustment benefit" (less any offsets) for permanently and totally disabled workers under P. L. 1980, c. 83, *without any reduction for the 1980 social security cost-of-living adjustment.*

It would clarify the law for the Division of Workers' Compensation to reflect what we believe was its original legislative intent. Payment of the full benefit entitlement for each year would be made by insurance carriers through the stock and mutual workers' compensation security funds and through assessments on self-insured employers.

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A3187 (1981)

FROM THE OFFICE OF THE GOVERNOR

FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION

MAY 21, 1981

PAT SWEENEY

Governor Brendan Byrne today signed A-3187, sponsored by Assemblyman Thomas F. Cowan, Sr. (D-Hudson), which corrects an oversight in the 1980 Second Injury Fund Law.

Under the Second Injury Fund Law, special adjustment benefits for totally and permanently disabled workers were to be reduced by the beneficiary's social security benefits exclusive of increases after June 30, 1980. The intent of the exclusion was to allow recipients to keep the Social Security cost-of-living increase included in July 1980 payments, without a commensurate reduction in the special adjustment benefit.

However, the July 1980 Social Security payments represented payments for the month of June. So, under the law, the cost-of-living increases were offset. This bill corrects this oversight.

The cost of restored benefits was factored into original estimates of the Second Injury Fund Law, and should not impose a surprise expense on employers.

The bill takes effect immediately.

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