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LAW/RWH

P.L.2013, CHAPTER 274, *approved January 17, 2014*
Assembly Committee Substitute (*First Reprint*) for
Assembly, No. 3812

1 AN ACT concerning the transfer of certain records to the
2 Department of Labor and Workforce Development and ¹the
3 Department of Human Services,¹ revising various parts of the
4 statutory law ¹and supplementing Title 30 of the Revised
5 Statutes and Title 2A of the New Jersey Statutes¹.

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

9
10 1. R.S.26:8-24 is amended to read as follows:

11 26:8-24. The State registrar shall:

12 a. Have general supervision throughout the State of the
13 registration of vital records;

14 b. Have supervisory power over local registrars, deputy local
15 registrars, alternate deputy local registrars, and subregistrars, in the
16 enforcement of the law relative to the disposal of dead bodies and
17 the registration of vital records;

18 c. Prepare, print, and supply to all registrars, upon request
19 therefor, all blanks and forms used in registering the records
20 required by said law, and provide for and prescribe the use of the
21 NJ-EDRS. No other blanks or methods of registration shall be used
22 than those supplied or approved by the State registrar;

23 d. Carefully examine the certificates or electronic files received
24 periodically from the local registrars or originating from their
25 jurisdiction; and, if any are incomplete or unsatisfactory, require
26 such further information to be supplied as may be necessary to
27 make the record complete and satisfactory;

28 e. Arrange or bind, and permanently preserve the certificates of
29 vital records, or the information comprising those records, in a
30 systematic manner and in a form that is deemed most consistent
31 with contemporary and developing standards of vital statistical
32 archival record keeping;

33 f. Prepare and maintain a comprehensive and continuous index
34 of all vital records registered, the index to be arranged
35 alphabetically:

36 1. In the case of deaths, by the name of the decedent;

37 2. In the case of births, by the name of child, if given, and if
38 not, then by the name of father or mother;

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Senate SBA committee amendments adopted December 12, 2013.

1 3. In the case of marriages, by the surname of the husband and
2 also by the maiden name of the wife;

3 4. In the case of civil unions, by the surname of each of the
4 parties to the civil union;

5 5. In the case of domestic partnerships, by the surname of each
6 of the partners;

7 g. Mark the birth certificate of a missing child when notified by
8 the Missing Persons Unit in the Department of Law and Public
9 Safety pursuant to section 3 of P.L.1995, c.395 (C.52:17B-9.8c);
10 **[and]**

11 h. Develop and provide to local registrars an education and
12 training program, which the State registrar may require each local
13 registrar to complete as a condition of retaining that position, and
14 which may be offered to deputy local registrars, alternate deputy
15 local registrars and subregistrars at the discretion of the State
16 registrar, that includes material designed to implement the NJ-
17 EDRS and to familiarize local registrars with the statutory
18 requirements applicable to their duties and any rules and regulations
19 adopted pursuant thereto, as deemed appropriate by the State
20 registrar; and

21 i. Facilitate the electronic notification, upon completion of the
22 death record and issuance of a burial permit, of the decedent's
23 name, Social Security number and last known address to the
24 Department of Labor and Workforce Development¹ and the
25 Department of Human Services¹ to safeguard public benefit
26 programs and diminish the criminal use of a decedent's name and
27 other identifying information.

28 (cf: P.L.2006, c.103, s.41)

29

30 2. Section 16 of P.L.2003, c.221 (C.26:8-24.1) is amended to
31 read as follows:

32 16. a. The State registrar shall establish and maintain the New
33 Jersey Electronic Death Registration System or NJ-EDRS.

34 (1) The system shall be fully implemented no later than 18
35 months after the date of enactment of P.L.2003, c.221, and shall be
36 the required means of death registration and certification for any
37 death or fetal death occurring in this State, subject to any exception
38 that may be approved by the State registrar in the case of a specific
39 death or fetal death. All participants in the death registration
40 process, including, but not limited to, the State registrar, local
41 registrars, deputy registrars, alternate deputy registrars,
42 subregistrars, the State medical examiner, county medical
43 examiners, funeral directors, attending physicians and resident
44 physicians, licensed health care facilities, and other public or
45 private institutions providing medical care, treatment or
46 confinement to persons, shall be required to utilize the NJ-EDRS to

1 provide the information that is required of them by statute or
2 regulation.

3 (2) The State registrar may provide for a phased implementation
4 of the system, beginning seven months after the date of enactment
5 of P.L.2003, c.221, by requiring certain users, who are designated
6 by the State registrar on a geographic or other basis for this
7 purpose, to commence utilization of the system.

8 (3) Beginning no later than six months after the date of
9 enactment of P.L.2003, c.221, the State registrar shall authorize and
10 provide material support, in the form of system access, curriculum
11 guidelines and user registration capability and authority, to the
12 principal trade associations or professional organizations
13 representing persons affected by implementation of the NJ-EDRS,
14 for the purposes of providing training and education with regard to
15 the NJ-EDRS. The State registrar may conduct such education and
16 training, or authorize other entities to do so on his behalf; however,
17 these activities shall not be construed as restricting the training and
18 education activities of any affected trade association or professional
19 organization, including the location, manner, fees or other means of
20 conducting those activities on the part of the association or
21 organization.

22 b. The NJ-EDRS shall, at a minimum, provide for:

23 (1) the direct transmission of burial permit documentation to the
24 originating funeral home in an electronic form capable of output to
25 a local printer;

26 (2) an overnight mail system for the delivery of NJ-EDRS-
27 generated death certificates by the State registrar and local
28 registrars, the cost of which shall be chargeable to the funeral
29 director of record;

30 (3) an automated notification system to alert other responsible
31 parties to pending cases, including notification to or from alternate
32 local registrars;

33 (4) a systematic electronic payment method by which all fees
34 are taken from accounts for which funeral homes are financially
35 responsible and distributed, as appropriate, to the State registrar or
36 local registrars as payment for the issuance of permits, the
37 recording of records, the making of certified copies of death
38 certificates, or for other charges that may be incurred;

39 (5) a legally binding system of digital authentication in lieu of
40 signatures for the responsible parties and a means of assuring
41 database security that permits users to enter the system from
42 multiple sites and includes contemporaneous and remote data
43 security methods to protect the system from catastrophic loss or
44 intrusions, as well as a method of data encryption for transmission;

45 (6) the capacity for authorized users to retrieve data comprising
46 the death certification record;

1 (7) the capacity to electronically amend and correct death
2 records;

3 (8) electronic notification, upon completion of the death record
4 and issuance of a burial permit, of the decedent's name, Social
5 Security number and last known address and the informant to: the
6 federal Social Security Administration, the **U.S. Citizenship and Immigration**
7 **Services**, the Division of Medical Assistance and Health Services in
8 the Department of Human Services, the Department of Labor and
9 Workforce Development and such other governmental agencies as
10 the State registrar determines will substantially contribute to
11 safeguarding public benefit programs and diminish the criminal use
12 of a decedent's name and other identifying information; and the
13 New Jersey State Funeral Directors Association, in the case of a
14 decedent participating in one of its funeral expense payment
15 programs, in such a manner as to enable it to fulfill its fiduciary
16 obligations for the payment of the decedent's final funeral and
17 burial expenses;

18 (9) sufficient data documentation to meet contemporary and
19 emerging standards and expectations of vital record archiving; and

20 (10) continuous 24-hour-a-day technical support for all
21 authorized users of the system.

22 c. A provider of information that is required to complete a
23 death certificate, or who is subject to the provisions of law
24 governing the NJ-EDRS, shall not be deemed to be acting as a local
25 registrar, deputy registrar, alternate deputy registrar or subregistrar
26 solely by virtue of permitting other providers of information to gain
27 access to the NJ-EDRS by using those other providers' identifying
28 information.

29 (cf: P.L.2003, c.221, s.16)

30

31
32 3. Section 18 of P.L.2003, c.221 (C.26:8-24.3) is amended to
33 read as follows:

34 18. The State Medical Examiner, the Commissioner of Labor
35 and Workforce Development or his designee, county medical
36 examiners, licensed health care facilities, other public or private
37 institutions providing medical care, treatment or confinement to
38 persons, funeral homes and physicians' private practice offices, as
39 defined by the State registrar, shall acquire the electronic means
40 prescribed by the State registrar to access the NJ-EDRS, or make
41 such other arrangements as are necessary for that purpose, no later
42 than six months after the date of enactment of P.L.2003, c.221.

43 The State Medical Examiner, the Commissioner of Labor and
44 Workforce Development or his designee, and each county medical
45 examiner, health care facility, institution, funeral home or
46 physician's office shall employ at least one person who is qualified
47 to use the NJ-EDRS, and is registered with the State registrar as an

1 authorized user of the system, by virtue of completing a course of
2 instruction on the NJ-EDRS provided by the State registrar or an
3 authorized agent thereof, or satisfying such other requirements as
4 may be established by the State registrar for this purpose.

5 (cf: P.L.2003, c.221, s.18)

6

7 4. Section 6 of P.L.1976, c.98 (C.30:1B-6) is amended to read
8 as follows:

9 6. The commissioner, as administrator and chief executive
10 officer of the department, shall:

11 a. Administer the work of the department;

12 b. Appoint and remove officers and other personnel employed
13 within the department, subject to the provisions of Title **11** of the
14 Revised Statutes **11A**, Civil Service, of the New Jersey Statutes,
15 and other applicable statutes, except as herein otherwise specifically
16 provided;

17 c. Perform, exercise and discharge the functions, powers and
18 duties of the department through such divisions as may be
19 established by this act or otherwise by law;

20 d. Organize the work of the department in such divisions, not
21 inconsistent with the provisions of this act, and in such bureaus and
22 other organizational units as he may determine to be necessary for
23 efficient and effective operation;

24 e. Formulate, adopt, issue and promulgate, in the name of the
25 department such rules and regulations for the efficient conduct of
26 the work and general administration of the department, the
27 institutions or noninstitutional agencies within its jurisdiction, its
28 officers and employees as may be authorized by law;

29 f. Determine all matters relating to the unified and continuous
30 development of the institutions and noninstitutional agencies within
31 his jurisdiction;

32 g. Determine all matters of policy and regulate the
33 administration of the institutions or noninstitutional agencies within
34 his jurisdiction, correct and adjust the same so that each shall
35 function as an integral part of a general system. The rules,
36 regulations, orders and directions promulgated by the commissioner
37 for this purpose shall be accepted and enforced by the executive
38 having charge of any institution or group of institutions or
39 noninstitutional agencies or any phase of the work within the
40 jurisdiction of the department;

41 h. Institute or cause to be instituted such legal proceedings or
42 processes as may be necessary to enforce properly and give effect to
43 any of his powers or duties; for the purpose of any such
44 investigation, he may cause to be examined under oath any and all
45 persons whatsoever and compel by subpoena the attendance of
46 witnesses and the production of such books, records, accounts,
47 papers and other documents as are appropriate. If a witness fails

- 1 without good cause to attend, testify or produce such records or
2 documents as are directed in the subpoena, he shall be punished in
3 the manner provided for the punishment of any witness who
4 disobeys a summons or subpoena issued from a court of record in
5 this State;
- 6 i. Make a report in each year to the Governor and to the
7 Legislature of the department's operations for the preceding fiscal
8 year, and render such other reports as the Governor shall from time
9 to time request or as may be required by law;
- 10 j. Appoint such advisory committees as may be desirable to
11 advise and assist the department or a division in carrying out its
12 functions and duties;
- 13 k. Maintain suitable headquarters for the department and such
14 other quarters as he shall deem necessary to the proper functioning
15 of the department;
- 16 l. Develop and from time to time revise and maintain a
17 comprehensive master plan for the State's correctional system
18 which shall indicate, among other things, the department's goals,
19 objectives, resources and needs;
- 20 m. Promote the development of alternatives to conventional
21 incarceration for those offenders who can be dealt with more
22 effectively in less restrictive, community-based facilities;
- 23 n. (Deleted by amendment, P.L.1995, c.280);
- 24 o. Promote a unified criminal justice system, including the
25 integration of State and local correctional programs and probation
26 and parole services;
- 27 p. Provide for the timely and efficient collection and analysis
28 of data regarding the correctional system to insure the continuing
29 review and evaluation of correctional services, policies and
30 procedures; **[and]**
- 31 q. Perform such other functions as may be prescribed in this act
32 or by any other law; and
- 33 r. Compile and provide to the Department of Labor and
34 Workforce Development ¹and the Department of Human Services¹
35 identifying information on each inmate incarcerated in each State
36 ¹[, county and local]¹ institution at the time of incarceration. The
37 information shall be transmitted electronically in a timely manner
38 and shall provide identifying characteristics, including name and
39 Social Security number, to be used by the Department of Labor and
40 Workforce Development ¹and the Department of Human Services¹
41 to verify individuals' eligibility for benefit programs administered
42 by ¹[the] each¹ department.
43 (cf: P.L.1995, c.280, s.28)
- 44
- 45 5. R.S.43:21-16 is amended to read as follows:
46 43:21-16. (a) Whoever makes a false statement or representation,
47 knowing it to be false, or knowingly fails to disclose a material fact,

1 to obtain or increase or attempts to obtain or increase any benefit or
2 other payment under this chapter (R.S.43:21-1 et seq.), or under an
3 employment security law of any other state or of the federal
4 government, either for himself or for any other person, shall be
5 liable to a fine of \$20.00 for each offense, or 25% of the amount
6 fraudulently obtained, whichever is greater, to be recovered in an
7 action at law in the name of the Division of Unemployment and
8 Temporary Disability Insurance of the Department of Labor and
9 Workforce Development of the State of New Jersey or as provided
10 in subsection (e) of R.S.43:21-14, said fine when recovered to be
11 paid to the unemployment compensation auxiliary fund for the use
12 of said fund; and each such false statement or representation or
13 failure to disclose a material fact shall constitute a separate offense.
14 Any penalties imposed by this subsection shall be in addition to
15 those otherwise prescribed in this chapter (R.S.43:21-1 et seq.).

16 (b) (1) An employing unit or any officer or agent of an
17 employing unit or any other person who makes a false statement or
18 representation, knowing it to be false, or who knowingly fails to
19 disclose a material fact, to prevent or reduce the payment of
20 benefits to any individual entitled thereto or to avoid becoming or
21 remaining subject hereto or to avoid or reduce any contribution or
22 other payment required from an employing unit under this chapter
23 (R.S.43:21-1 et seq.), or under an employment security law of any
24 other state or of the federal government, or who willfully fails or
25 refuses to furnish any reports required hereunder (except for such
26 reports as may be required under subsection (b) of R.S.43:21-6) or
27 to produce or permit the inspection or copying of records, as
28 required hereunder, shall be liable to a fine of \$100.00, or 25% of
29 the amount fraudulently withheld, whichever is greater, to be
30 recovered in an action at law in the name of the Division of
31 Unemployment and Temporary Disability Insurance of the
32 Department of Labor and Workforce Development of the State of
33 New Jersey or as provided in subsection (e) of R.S.43:21-14, said
34 fine when recovered to be paid to the unemployment compensation
35 auxiliary fund for the use of said fund; and each such false
36 statement or representation or failure to disclose a material fact, and
37 each day of such failure or refusal shall constitute a separate
38 offense. Any penalties imposed by this paragraph shall be in
39 addition to those otherwise prescribed in this chapter (R.S.43:21-1
40 et seq.).

41 (2) Any employing unit or any officer or agent of an employing
42 unit or any other person who fails to submit any report required
43 under subsection (b) of R.S.43:21-6 shall be subject to a penalty of
44 \$25.00 for the first report not submitted within 10 days after the
45 mailing of a request for such report, and an additional \$25.00
46 penalty may be assessed for the next 10-day period, which may
47 elapse after the end of the initial 10-day period and before the

1 report is filed; provided that when such report or reports are not
2 filed within the prescribed time but it is shown to the satisfaction of
3 the director that the failure was due to a reasonable cause, no such
4 penalty shall be imposed. Any penalties imposed by this paragraph
5 shall be recovered as provided in subsection (e) of R.S.43:21-14,
6 and when recovered shall be paid to the unemployment
7 compensation auxiliary fund for the use of said fund.

8 (3) Any employing unit, officer or agent of the employing unit,
9 or any other person, determined by the controller to have knowingly
10 violated, or attempted to violate, or advised another person to
11 violate the transfer of employment experience provisions found at
12 R.S.43:21-7 (c)(7), or who otherwise knowingly attempts to obtain
13 a lower rate of contributions by failing to disclose material
14 information, or by making a false statement, or by a
15 misrepresentation of fact, shall be subject to a fine of \$5,000 or
16 25% of the contributions under-reported or attempted to be under-
17 reported, whichever is greater, to be recovered as provided in
18 subsection (e) of R.S.43:21-14, and when recovered to be paid to
19 the unemployment compensation auxiliary fund for the use of said
20 fund. For the purposes of this subsection, "knowingly" means
21 having actual knowledge of, or acting with deliberate ignorance or
22 reckless disregard for the prohibition involved.

23 (c) Any person who shall willfully violate any provision of this
24 chapter (R.S.43:21-1 et seq.) or any rule or regulation thereunder,
25 the violation of which is made unlawful or the observance of which
26 is required under the terms of this chapter (R.S.43:21-1 et seq.), and
27 for which a penalty is neither prescribed herein nor provided by any
28 other applicable statute, shall be liable to a fine of \$50.00, to be
29 recovered in an action at law in the name of the Division of
30 Unemployment and Temporary Disability Insurance of the
31 Department of Labor and Workforce Development of the State of
32 New Jersey or as provided in subsection (e) of R.S.43:21-14, said
33 fine when recovered to be paid to the unemployment compensation
34 auxiliary fund for the use of said fund; and each day such violation
35 continues shall be deemed to be a separate offense.

36 (d) (1) When it is determined by a representative or
37 representatives designated by the Director of the Division of
38 Unemployment and Temporary Disability Insurance of the
39 Department of Labor and Workforce Development of the State of
40 New Jersey that any person, whether (i) by reason of the
41 nondisclosure or misrepresentation by him or by another of a
42 material fact (whether or not such nondisclosure or
43 misrepresentation was known or fraudulent), or (ii) for any other
44 reason, has received any sum as benefits under this chapter
45 (R.S.43:21-1 et seq.) while any conditions for the receipt of benefits
46 imposed by this chapter (R.S.43:21-1 et seq.) were not fulfilled in
47 his case, or while he was disqualified from receiving benefits, or

1 while otherwise not entitled to receive such sum as benefits, such
2 person, unless the director (with the concurrence of the controller)
3 directs otherwise by regulation, shall be liable to repay those
4 benefits in full. The employer's account shall not be charged for the
5 amount of an overpayment of benefits if the overpayment was
6 caused by an error of the division and not by any error of the
7 employer. The sum shall be deducted from any future benefits
8 payable to the individual under this chapter (R.S.43:21-1 et seq.) or
9 shall be paid by the individual to the division for the unemployment
10 compensation fund, and such sum shall be collectible in the manner
11 provided for by law, including, but not limited to, the filing of a
12 certificate of debt with the Clerk of the Superior Court of New
13 Jersey; provided, however, that, except in the event of fraud, no
14 person shall be liable for any such refunds or deductions against
15 future benefits unless so notified before four years have elapsed
16 from the time the benefits in question were paid. Such person shall
17 be promptly notified of the determination and the reasons therefor.
18 The determination shall be final unless the person files an appeal of
19 the determination within seven calendar days after the delivery of
20 the determination, or within 10 calendar days after such notification
21 was mailed to his last-known address, for any determination made
22 on or before December 1, 2010, and any initial determination made
23 pursuant to paragraph (1) of subsection (b) of R.S.43:21-6 after
24 December 1, 2010, or within 20 calendar days after the delivery of
25 such determination, or within 20 calendar days after such
26 notification was mailed to his last-known address, for any
27 determination other than an initial determination made after
28 December 1, 2010.

29 (2) Interstate and cross-offset of state and federal unemployment
30 benefits. To the extent permissible under the laws and Constitution
31 of the United States, the commissioner is authorized to enter into or
32 cooperate in arrangements or reciprocal agreements with
33 appropriate and duly authorized agencies of other states or the
34 United States Secretary of Labor, or both, whereby:

35 (A) Overpayments of unemployment benefits as determined
36 under subsection (d) of R.S.43:21-16 shall be recovered by offset
37 from unemployment benefits otherwise payable under the
38 unemployment compensation law of another state, and
39 overpayments of unemployment benefits as determined under the
40 unemployment compensation law of another state shall be
41 recovered by offset from unemployment benefits otherwise payable
42 under R.S.43:21-1 et seq.; and

43 (B) Overpayments of unemployment benefits as determined
44 under applicable federal law, with respect to benefits or allowances
45 for unemployment provided under a federal program administered
46 by this State under an agreement with the United States Secretary of
47 Labor, shall be recovered by offset from unemployment benefits

1 otherwise payable under R.S.43:21-1 et seq., or any federal program
2 administered by this State, or under the unemployment
3 compensation law of another state or any federal unemployment
4 benefit or allowance program administered by another state under
5 an agreement with the United States Secretary of Labor, if the other
6 state has in effect a reciprocal agreement with the United States
7 Secretary of Labor as authorized by subsection (g) of 42
8 U.S.C.s.503, and if the United States agrees, as provided in the
9 reciprocal agreement with this State entered into under subsection
10 (g) of 42 U.S.C.s.503, that overpayments of unemployment benefits
11 as determined under subsection (d) of R.S.43:21-16 and
12 overpayments as determined under the unemployment
13 compensation law of another state which has in effect a reciprocal
14 agreement with the United States Secretary of Labor as authorized
15 by subsection (g) of 42U.S.C.s.503, shall be recovered by offset
16 from benefits or allowances otherwise payable under a federal
17 program administered by this State or another state under an
18 agreement with the United States Secretary of Labor.

19 (e) (1) Any employing unit, or any officer or agent of an
20 employing unit, which officer or agent is directly or indirectly
21 responsible for collecting, truthfully accounting for, remitting when
22 payable any contribution, or filing or causing to be filed any report
23 or statement required by this chapter, or employer, or person failing
24 to remit, when payable, any employer contributions, or worker
25 contributions (if withheld or deducted), or the amount of such
26 worker contributions (if not withheld or deducted), or filing or
27 causing to be filed with the controller or the Division of
28 Unemployment and Temporary Disability Insurance of the
29 Department of Labor and Workforce Development of the State of
30 New Jersey, any false or fraudulent report or statement, and any
31 person who aids or abets an employing unit, employer, or any
32 person in the preparation or filing of any false or fraudulent report
33 or statement with intent to defraud the State of New Jersey or an
34 employment security agency of any other state or of the federal
35 government, or with intent to evade the payment of any
36 contributions, interest or penalties, or any part thereof, which shall
37 be due under the provisions of this chapter (R.S.43:21-1 et seq.),
38 shall be liable for each offense upon conviction before any Superior
39 Court or municipal court, to a fine not to exceed \$1,000.00 or by
40 imprisonment for a term not to exceed 90 days, or both, at the
41 discretion of the court. The fine upon conviction shall be payable to
42 the unemployment compensation auxiliary fund. Any penalties
43 imposed by this subsection shall be in addition to those otherwise
44 prescribed in this chapter (R.S.43:21-1 et seq.).

45 (2) Any employing unit, officer or agent of the employing unit,
46 or any other person, who knowingly violates, or attempts to violate,
47 or advise another person to violate the transfer of employment

1 experience provisions found at R.S.43:21-7 (c)(7) shall be, upon
2 conviction before any Superior Court or municipal court, guilty of a
3 crime of the fourth degree. For the purposes of this subsection,
4 "knowingly" means having actual knowledge of, or acting with
5 deliberate ignorance or reckless disregard for the prohibition
6 involved.

7 (f) Any employing unit or any officer or agent of an employing
8 unit or any other person who aids and abets any person to obtain
9 any sum of benefits under this chapter to which he is not entitled, or
10 a larger amount as benefits than that to which he is justly entitled,
11 shall be liable for each offense upon conviction before any Superior
12 Court or municipal court, to a fine not to exceed \$1,000.00 or by
13 imprisonment for a term not to exceed 90 days, or both, at the
14 discretion of the court. The fine upon conviction shall be payable to
15 the unemployment compensation auxiliary fund. Any penalties
16 imposed by this subsection shall be in addition to those otherwise
17 prescribed in this chapter (R.S.43:21-1 et seq.).

18 (g) There shall be created in the Division of Unemployment and
19 Temporary Disability Insurance of the Department of Labor and
20 Workforce Development of the State of New Jersey an investigative
21 staff for the purpose of investigating violations referred to in this
22 section and enforcing the provisions thereof.

23 (h) An employing unit or any officer or agent of an employing
24 unit who makes a false statement or representation, knowing it to be
25 false, or who knowingly fails to disclose a material fact, to reduce
26 benefit charges to the employing unit pursuant to paragraph (1) of
27 subsection (c) of R.S.43:21-7, shall be liable to a fine of \$1,000, to
28 be recovered in an action at law in the name of the Division of
29 Unemployment and Temporary Disability Insurance of the
30 Department of Labor and Workforce Development of the State of
31 New Jersey or as provided in subsection (e) of R.S.43:21-14. The
32 fine when recovered shall be paid to the unemployment
33 compensation auxiliary fund for the use of the fund. Each false
34 statement or representation or failure to disclose a material fact, and
35 each day of that failure or refusal shall constitute a separate offense.
36 Any penalties imposed by this subsection shall be in addition to
37 those otherwise prescribed in R.S.43:21-1 et seq.

38 (i) The Department of Labor and Workforce Development shall
39 arrange for the electronic receipt of death record notifications from
40 the New Jersey Electronic Death Registration System, pursuant to
41 section 16 of P.L.2003, c.221 (C.26:8-24.1), and establish a
42 verification system to confirm that benefits paid pursuant to the
43 “Temporary Disability Benefits Law,” P.L.1948, c.110 (C.43:21-25
44 et al.), and the “unemployment compensation law,” R.S.43:21-1 et
45 seq., are not being paid to deceased individuals.

46 (j) The Department of Labor and Workforce Development shall
47 arrange for the electronic receipt of identifying information from

1 the Department of Corrections, pursuant to section 6 of P.L.1976,
2 c.98 (C.30:1B-6), and from the Administrative Office of the Courts
3 and any county which does not provide county inmate incarceration
4 information to the Administrative Office of the Courts, and
5 establish a verification system to confirm that benefits paid
6 pursuant to the “unemployment compensation law,” R.S.43:21-1 et
7 seq., are not being paid to individuals who are incarcerated.
8 (cf: P.L.2010, c.82, s.2)

9
10 ¹6. (New section) The Department of Human Services shall
11 arrange for the electronic receipt of death record notifications from
12 the New Jersey Electronic Death Registration System, pursuant to
13 section 16 of P.L.2003, c.221 (C.26:8-24.1), and of identifying
14 information from the Department of Corrections, pursuant to
15 section 6 of P.L.1976, c.98 (C.30:1B-6), and from the
16 Administrative Office of the Courts and any county which does not
17 provide county inmate incarceration information to the
18 Administrative Office of the Courts. The Department of Human
19 Services shall establish a verification system utilizing the records
20 and information it receives pursuant to this section to confirm that
21 benefits paid under programs of the Department of Human Services
22 are not being paid in a manner inconsistent with laws and
23 regulations regarding eligibility for those benefit programs. This
24 section shall not be construed as changing in any way the laws and
25 regulations regarding eligibility for benefit programs of the
26 Department of Human Services.¹

27
28 ¹7. (New section) The Administrative Office of the Courts shall
29 compile and provide to the Department of Labor and Workforce
30 Development and the Department of Human Services identifying
31 information on each inmate incarcerated in each county and local
32 institution in each county which provides inmate incarceration
33 information to the Administrative Office of the Courts, and any
34 county which does not provide that information to the
35 Administrative Office of the Courts shall provide the information to
36 the Department of Labor and Workforce Development and the
37 Department of Human Services. The information shall be
38 transmitted electronically in a timely manner and shall provide
39 identifying characteristics, including name and Social Security
40 number, to be used by the Department of Labor and Workforce
41 Development and the Department of Human Services to verify
42 individuals’ eligibility for benefit programs administered by each
43 department.¹

44
45 ¹**[6.] 8.**¹ This act shall take effect immediately.

1

2

3

Requires transfer of certain records to DOLWD and DHS.

ASSEMBLY, No. 3812

STATE OF NEW JERSEY 215th LEGISLATURE

INTRODUCED FEBRUARY 11, 2013

Sponsored by:

Assemblyman WAYNE P. DEANGELO

District 14 (Mercer and Middlesex)

Assemblyman PARKER SPACE

District 24 (Morris, Sussex and Warren)

Assemblyman ANGEL FUENTES

District 5 (Camden and Gloucester)

Assemblywoman ALISON LITTELL MCHOSE

District 24 (Morris, Sussex and Warren)

SYNOPSIS

Requires transfer of certain records to DOLWD.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/18/2013)

1 AN ACT concerning the transfer of certain records to the
2 Department of Labor and Workforce Development and revising
3 various parts of the statutory law.

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

7
8 1. R.S.26:8-24 is amended to read as follows:

9 26:8-24. The State registrar shall:

10 a. Have general supervision throughout the State of the
11 registration of vital records;

12 b. Have supervisory power over local registrars, deputy local
13 registrars, alternate deputy local registrars, and subregistrars, in the
14 enforcement of the law relative to the disposal of dead bodies and
15 the registration of vital records;

16 c. Prepare, print, and supply to all registrars, upon request
17 therefor, all blanks and forms used in registering the records
18 required by said law, and provide for and prescribe the use of the
19 NJ-EDRS. No other blanks or methods of registration shall be used
20 than those supplied or approved by the State registrar;

21 d. Carefully examine the certificates or electronic files received
22 periodically from the local registrars or originating from their
23 jurisdiction; and, if any are incomplete or unsatisfactory, require
24 such further information to be supplied as may be necessary to
25 make the record complete and satisfactory;

26 e. Arrange or bind, and permanently preserve the certificates of
27 vital records, or the information comprising those records, in a
28 systematic manner and in a form that is deemed most consistent
29 with contemporary and developing standards of vital statistical
30 archival record keeping;

31 f. Prepare and maintain a comprehensive and continuous index
32 of all vital records registered, the index to be arranged
33 alphabetically:

34 1. In the case of deaths, by the name of the decedent;

35 2. In the case of births, by the name of child, if given, and if
36 not, then by the name of father or mother;

37 3. In the case of marriages, by the surname of the husband and
38 also by the maiden name of the wife;

39 4. In the case of civil unions, by the surname of each of the
40 parties to the civil union;

41 5. In the case of domestic partnerships, by the surname of each
42 of the partners;

43 g. Mark the birth certificate of a missing child when notified by
44 the Missing Persons Unit in the Department of Law and Public

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

Matter underlined thus is new matter.

1 Safety pursuant to section 3 of P.L.1995, c.395 (C.52:17B-9.8c);

2 **[and]**

3 h. Develop and provide to local registrars an education and
4 training program, which the State registrar may require each local
5 registrar to complete as a condition of retaining that position, and
6 which may be offered to deputy local registrars, alternate deputy
7 local registrars and subregistrars at the discretion of the State
8 registrar, that includes material designed to implement the NJ-
9 EDRS and to familiarize local registrars with the statutory
10 requirements applicable to their duties and any rules and regulations
11 adopted pursuant thereto, as deemed appropriate by the State
12 registrar; and

13 i. Facilitate the electronic notification, upon completion of the
14 death record and issuance of a burial permit, of the decedent's
15 name, Social Security number and last known address to the
16 Department of Labor and Workforce Development to safeguard
17 public benefit programs and diminish the criminal use of a
18 decedent's name and other identifying information.

19 (cf: P.L.2006, c.103, s.41)

20

21 2. Section 16 of P.L.2003, c.221 (C.26:8-24.1) is amended to
22 read as follows:

23 16. a. The State registrar shall establish and maintain the New
24 Jersey Electronic Death Registration System or NJ-EDRS.

25 (1) The system shall be fully implemented no later than 18
26 months after the date of enactment of P.L.2003, c.221, and shall be
27 the required means of death registration and certification for any
28 death or fetal death occurring in this State, subject to any exception
29 that may be approved by the State registrar in the case of a specific
30 death or fetal death. All participants in the death registration
31 process, including, but not limited to, the State registrar, local
32 registrars, deputy registrars, alternate deputy registrars,
33 subregistrars, the State medical examiner, county medical
34 examiners, funeral directors, attending physicians and resident
35 physicians, licensed health care facilities, and other public or
36 private institutions providing medical care, treatment or
37 confinement to persons, shall be required to utilize the NJ-EDRS to
38 provide the information that is required of them by statute or
39 regulation.

40 (2) The State registrar may provide for a phased implementation
41 of the system, beginning seven months after the date of enactment
42 of P.L.2003, c.221, by requiring certain users, who are designated
43 by the State registrar on a geographic or other basis for this
44 purpose, to commence utilization of the system.

45 (3) Beginning no later than six months after the date of
46 enactment of P.L.2003, c.221, the State registrar shall authorize and
47 provide material support, in the form of system access, curriculum
48 guidelines and user registration capability and authority, to the

1 principal trade associations or professional organizations
2 representing persons affected by implementation of the NJ-EDRS,
3 for the purposes of providing training and education with regard to
4 the NJ-EDRS. The State registrar may conduct such education and
5 training, or authorize other entities to do so on his behalf; however,
6 these activities shall not be construed as restricting the training and
7 education activities of any affected trade association or professional
8 organization, including the location, manner, fees or other means of
9 conducting those activities on the part of the association or
10 organization.

11 b. The NJ-EDRS shall, at a minimum, provide for:

12 (1) the direct transmission of burial permit documentation to the
13 originating funeral home in an electronic form capable of output to
14 a local printer;

15 (2) an overnight mail system for the delivery of NJ-EDRS-
16 generated death certificates by the State registrar and local
17 registrars, the cost of which shall be chargeable to the funeral
18 director of record;

19 (3) an automated notification system to alert other responsible
20 parties to pending cases, including notification to or from alternate
21 local registrars;

22 (4) a systematic electronic payment method by which all fees
23 are taken from accounts for which funeral homes are financially
24 responsible and distributed, as appropriate, to the State registrar or
25 local registrars as payment for the issuance of permits, the
26 recording of records, the making of certified copies of death
27 certificates, or for other charges that may be incurred;

28 (5) a legally binding system of digital authentication in lieu of
29 signatures for the responsible parties and a means of assuring
30 database security that permits users to enter the system from
31 multiple sites and includes contemporaneous and remote data
32 security methods to protect the system from catastrophic loss or
33 intrusions, as well as a method of data encryption for transmission;

34 (6) the capacity for authorized users to retrieve data comprising
35 the death certification record;

36 (7) the capacity to electronically amend and correct death
37 records;

38 (8) electronic notification, upon completion of the death record
39 and issuance of a burial permit, of the decedent's name, Social
40 Security number and last known address and the informant to: the
41 federal Social Security Administration, the **U.S. Citizenship and Immigration**
42 **Services**, the Division of Medical Assistance and Health Services in
43 the Department of Human Services, the Department of Labor and
44 Workforce Development and such other governmental agencies as
45 the State registrar determines will substantially contribute to
46 safeguarding public benefit programs and diminish the criminal use
47 of a decedent's name and other identifying information; and the
48

1 New Jersey State Funeral Directors Association, in the case of a
2 decedent participating in one of its funeral expense payment
3 programs, in such a manner as to enable it to fulfill its fiduciary
4 obligations for the payment of the decedent's final funeral and
5 burial expenses;

6 (9) sufficient data documentation to meet contemporary and
7 emerging standards and expectations of vital record archiving; and

8 (10) continuous 24-hour-a-day technical support for all
9 authorized users of the system.

10 c. A provider of information that is required to complete a
11 death certificate, or who is subject to the provisions of law
12 governing the NJ-EDRS, shall not be deemed to be acting as a local
13 registrar, deputy registrar, alternate deputy registrar or subregistrar
14 solely by virtue of permitting other providers of information to gain
15 access to the NJ-EDRS by using those other providers' identifying
16 information.

17 (cf: P.L.2003, c.221, s.16)

18

19 3. Section 18 of P.L.2003, c.221 (C.26:8-24.3) is amended to
20 read as follows:

21 18. The State Medical Examiner, the Commissioner of Labor
22 and Workforce Development or his designee, county medical
23 examiners, licensed health care facilities, other public or private
24 institutions providing medical care, treatment or confinement to
25 persons, funeral homes and physicians' private practice offices, as
26 defined by the State registrar, shall acquire the electronic means
27 prescribed by the State registrar to access the NJ-EDRS, or make
28 such other arrangements as are necessary for that purpose, no later
29 than six months after the date of enactment of P.L.2003, c.221.

30 The State Medical Examiner, the Commissioner of Labor and
31 Workforce Development or his designee, and each county medical
32 examiner, health care facility, institution, funeral home or
33 physician's office shall employ at least one person who is qualified
34 to use the NJ-EDRS, and is registered with the State registrar as an
35 authorized user of the system, by virtue of completing a course of
36 instruction on the NJ-EDRS provided by the State registrar or an
37 authorized agent thereof, or satisfying such other requirements as
38 may be established by the State registrar for this purpose.

39 (cf: P.L.2003, c.221, s.18)

40

41 4. Section 6 of P.L.1976, c.98 (C.30:1B-6) is amended to read
42 as follows:

43 6. The commissioner, as administrator and chief executive
44 officer of the department, shall:

45 a. Administer the work of the department;

46 b. Appoint and remove officers and other personnel employed
47 within the department, subject to the provisions of Title **11** of the
48 Revised Statutes **11A**, Civil Service, of the New Jersey Statutes,

- 1 and other applicable statutes, except as herein otherwise specifically
2 provided;
- 3 c. Perform, exercise and discharge the functions, powers and
4 duties of the department through such divisions as may be
5 established by this act or otherwise by law;
- 6 d. Organize the work of the department in such divisions, not
7 inconsistent with the provisions of this act, and in such bureaus and
8 other organizational units as he may determine to be necessary for
9 efficient and effective operation;
- 10 e. Formulate, adopt, issue and promulgate, in the name of the
11 department such rules and regulations for the efficient conduct of
12 the work and general administration of the department, the
13 institutions or noninstitutional agencies within its jurisdiction, its
14 officers and employees as may be authorized by law;
- 15 f. Determine all matters relating to the unified and continuous
16 development of the institutions and noninstitutional agencies within
17 his jurisdiction;
- 18 g. Determine all matters of policy and regulate the
19 administration of the institutions or noninstitutional agencies within
20 his jurisdiction, correct and adjust the same so that each shall
21 function as an integral part of a general system. The rules,
22 regulations, orders and directions promulgated by the commissioner
23 for this purpose shall be accepted and enforced by the executive
24 having charge of any institution or group of institutions or
25 noninstitutional agencies or any phase of the work within the
26 jurisdiction of the department;
- 27 h. Institute or cause to be instituted such legal proceedings or
28 processes as may be necessary to enforce properly and give effect to
29 any of his powers or duties; for the purpose of any such
30 investigation, he may cause to be examined under oath any and all
31 persons whatsoever and compel by subpoena the attendance of
32 witnesses and the production of such books, records, accounts,
33 papers and other documents as are appropriate. If a witness fails
34 without good cause to attend, testify or produce such records or
35 documents as are directed in the subpoena, he shall be punished in
36 the manner provided for the punishment of any witness who
37 disobeys a summons or subpoena issued from a court of record in
38 this State;
- 39 i. Make a report in each year to the Governor and to the
40 Legislature of the department's operations for the preceding fiscal
41 year, and render such other reports as the Governor shall from time
42 to time request or as may be required by law;
- 43 j. Appoint such advisory committees as may be desirable to
44 advise and assist the department or a division in carrying out its
45 functions and duties;
- 46 k. Maintain suitable headquarters for the department and such
47 other quarters as he shall deem necessary to the proper functioning
48 of the department;

- 1 l. Develop and from time to time revise and maintain a
2 comprehensive master plan for the State's correctional system
3 which shall indicate, among other things, the department's goals,
4 objectives, resources and needs;
- 5 m. Promote the development of alternatives to conventional
6 incarceration for those offenders who can be dealt with more
7 effectively in less restrictive, community-based facilities;
- 8 n. (Deleted by amendment, P.L.1995, c.280);
- 9 o. Promote a unified criminal justice system, including the
10 integration of State and local correctional programs and probation
11 and parole services;
- 12 p. Provide for the timely and efficient collection and analysis
13 of data regarding the correctional system to insure the continuing
14 review and evaluation of correctional services, policies and
15 procedures; **[and]**
- 16 q. Perform such other functions as may be prescribed in this act
17 or by any other law; and
- 18 r. Compile and provide to the Department of Labor and
19 Workforce Development identifying information on each inmate
20 incarcerated in each State, county and local institution at the time of
21 incarceration. The information shall be transmitted electronically in
22 a timely manner and shall provide identifying characteristics,
23 including name and social security number, to be used by the
24 Department of Labor and Workforce Development to verify
25 individuals' eligibility for benefit programs administered by the
26 department pursuant to R.S.43:21-16.
27 (cf: P.L.1995, c.280, s.28)

28

29 5. R.S.43:21-16 is amended to read as follows:

30 43:21-16. (a) Whoever makes a false statement or representation,
31 knowing it to be false, or knowingly fails to disclose a material fact,
32 to obtain or increase or attempts to obtain or increase any benefit or
33 other payment under this chapter (R.S.43:21-1 et seq.), or under an
34 employment security law of any other state or of the federal
35 government, either for himself or for any other person, shall be
36 liable to a fine of \$20.00 for each offense, or 25% of the amount
37 fraudulently obtained, whichever is greater, to be recovered in an
38 action at law in the name of the Division of Unemployment and
39 Temporary Disability Insurance of the Department of Labor and
40 Workforce Development of the State of New Jersey or as provided
41 in subsection (e) of R.S.43:21-14, said fine when recovered to be
42 paid to the unemployment compensation auxiliary fund for the use
43 of said fund; and each such false statement or representation or
44 failure to disclose a material fact shall constitute a separate offense.
45 Any penalties imposed by this subsection shall be in addition to
46 those otherwise prescribed in this chapter (R.S.43:21-1 et seq.).

47 (b) (1) An employing unit or any officer or agent of an
48 employing unit or any other person who makes a false statement or

1 representation, knowing it to be false, or who knowingly fails to
2 disclose a material fact, to prevent or reduce the payment of
3 benefits to any individual entitled thereto or to avoid becoming or
4 remaining subject hereto or to avoid or reduce any contribution or
5 other payment required from an employing unit under this chapter
6 (R.S.43:21-1 et seq.), or under an employment security law of any
7 other state or of the federal government, or who willfully fails or
8 refuses to furnish any reports required hereunder (except for such
9 reports as may be required under subsection (b) of R.S.43:21-6) or
10 to produce or permit the inspection or copying of records, as
11 required hereunder, shall be liable to a fine of \$100.00, or 25% of
12 the amount fraudulently withheld, whichever is greater, to be
13 recovered in an action at law in the name of the Division of
14 Unemployment and Temporary Disability Insurance of the
15 Department of Labor and Workforce Development of the State of
16 New Jersey or as provided in subsection (e) of R.S.43:21-14, said
17 fine when recovered to be paid to the unemployment compensation
18 auxiliary fund for the use of said fund; and each such false
19 statement or representation or failure to disclose a material fact, and
20 each day of such failure or refusal shall constitute a separate
21 offense. Any penalties imposed by this paragraph shall be in
22 addition to those otherwise prescribed in this chapter (R.S.43:21-1
23 et seq.).

24 (2) Any employing unit or any officer or agent of an employing
25 unit or any other person who fails to submit any report required
26 under subsection (b) of R.S.43:21-6 shall be subject to a penalty of
27 \$25.00 for the first report not submitted within 10 days after the
28 mailing of a request for such report, and an additional \$25.00
29 penalty may be assessed for the next 10-day period, which may
30 elapse after the end of the initial 10-day period and before the
31 report is filed; provided that when such report or reports are not
32 filed within the prescribed time but it is shown to the satisfaction of
33 the director that the failure was due to a reasonable cause, no such
34 penalty shall be imposed. Any penalties imposed by this paragraph
35 shall be recovered as provided in subsection (e) of R.S.43:21-14,
36 and when recovered shall be paid to the unemployment
37 compensation auxiliary fund for the use of said fund.

38 (3) Any employing unit, officer or agent of the employing unit,
39 or any other person, determined by the controller to have knowingly
40 violated, or attempted to violate, or advised another person to
41 violate the transfer of employment experience provisions found at
42 R.S.43:21-7 (c)(7), or who otherwise knowingly attempts to obtain
43 a lower rate of contributions by failing to disclose material
44 information, or by making a false statement, or by a
45 misrepresentation of fact, shall be subject to a fine of \$5,000 or
46 25% of the contributions under-reported or attempted to be under-
47 reported, whichever is greater, to be recovered as provided in
48 subsection (e) of R.S.43:21-14, and when recovered to be paid to

1 the unemployment compensation auxiliary fund for the use of said
2 fund. For the purposes of this subsection, "knowingly" means
3 having actual knowledge of, or acting with deliberate ignorance or
4 reckless disregard for the prohibition involved.

5 (c) Any person who shall willfully violate any provision of this
6 chapter (R.S.43:21-1 et seq.) or any rule or regulation thereunder,
7 the violation of which is made unlawful or the observance of which
8 is required under the terms of this chapter (R.S.43:21-1 et seq.), and
9 for which a penalty is neither prescribed herein nor provided by any
10 other applicable statute, shall be liable to a fine of \$50.00, to be
11 recovered in an action at law in the name of the Division of
12 Unemployment and Temporary Disability Insurance of the
13 Department of Labor and Workforce Development of the State of
14 New Jersey or as provided in subsection (e) of R.S.43:21-14, said
15 fine when recovered to be paid to the unemployment compensation
16 auxiliary fund for the use of said fund; and each day such violation
17 continues shall be deemed to be a separate offense.

18 (d) (1) When it is determined by a representative or
19 representatives designated by the Director of the Division of
20 Unemployment and Temporary Disability Insurance of the
21 Department of Labor and Workforce Development of the State of
22 New Jersey that any person, whether (i) by reason of the
23 nondisclosure or misrepresentation by him or by another of a
24 material fact (whether or not such nondisclosure or
25 misrepresentation was known or fraudulent), or (ii) for any other
26 reason, has received any sum as benefits under this chapter
27 (R.S.43:21-1 et seq.) while any conditions for the receipt of benefits
28 imposed by this chapter (R.S.43:21-1 et seq.) were not fulfilled in
29 his case, or while he was disqualified from receiving benefits, or
30 while otherwise not entitled to receive such sum as benefits, such
31 person, unless the director (with the concurrence of the controller)
32 directs otherwise by regulation, shall be liable to repay those
33 benefits in full. The employer's account shall not be charged for the
34 amount of an overpayment of benefits if the overpayment was
35 caused by an error of the division and not by any error of the
36 employer. The sum shall be deducted from any future benefits
37 payable to the individual under this chapter (R.S.43:21-1 et seq.) or
38 shall be paid by the individual to the division for the unemployment
39 compensation fund, and such sum shall be collectible in the manner
40 provided for by law, including, but not limited to, the filing of a
41 certificate of debt with the Clerk of the Superior Court of New
42 Jersey; provided, however, that, except in the event of fraud, no
43 person shall be liable for any such refunds or deductions against
44 future benefits unless so notified before four years have elapsed
45 from the time the benefits in question were paid. Such person shall
46 be promptly notified of the determination and the reasons therefor.
47 The determination shall be final unless the person files an appeal of
48 the determination within seven calendar days after the delivery of

1 the determination, or within 10 calendar days after such notification
2 was mailed to his last-known address, for any determination made
3 on or before December 1, 2010, and any initial determination made
4 pursuant to paragraph (1) of subsection (b) of R.S.43:21-6 after
5 December 1, 2010, or within 20 calendar days after the delivery of
6 such determination, or within 20 calendar days after such
7 notification was mailed to his last-known address, for any
8 determination other than an initial determination made after
9 December 1, 2010.

10 (2) Interstate and cross-offset of state and federal unemployment
11 benefits. To the extent permissible under the laws and Constitution
12 of the United States, the commissioner is authorized to enter into or
13 cooperate in arrangements or reciprocal agreements with
14 appropriate and duly authorized agencies of other states or the
15 United States Secretary of Labor, or both, whereby:

16 (A) Overpayments of unemployment benefits as determined
17 under subsection (d) of R.S.43:21-16 shall be recovered by offset
18 from unemployment benefits otherwise payable under the
19 unemployment compensation law of another state, and
20 overpayments of unemployment benefits as determined under the
21 unemployment compensation law of another state shall be
22 recovered by offset from unemployment benefits otherwise payable
23 under R.S.43:21-1 et seq.; and

24 (B) Overpayments of unemployment benefits as determined
25 under applicable federal law, with respect to benefits or allowances
26 for unemployment provided under a federal program administered
27 by this State under an agreement with the United States Secretary of
28 Labor, shall be recovered by offset from unemployment benefits
29 otherwise payable under R.S.43:21-1 et seq., or any federal program
30 administered by this State, or under the unemployment
31 compensation law of another state or any federal unemployment
32 benefit or allowance program administered by another state under
33 an agreement with the United States Secretary of Labor, if the other
34 state has in effect a reciprocal agreement with the United States
35 Secretary of Labor as authorized by subsection (g) of 42
36 U.S.C.s.503, and if the United States agrees, as provided in the
37 reciprocal agreement with this State entered into under subsection
38 (g) of 42 U.S.C.s.503, that overpayments of unemployment benefits
39 as determined under subsection (d) of R.S.43:21-16 and
40 overpayments as determined under the unemployment
41 compensation law of another state which has in effect a reciprocal
42 agreement with the United States Secretary of Labor as authorized
43 by subsection (g) of 42 U.S.C.s.503, shall be recovered by offset
44 from benefits or allowances otherwise payable under a federal
45 program administered by this State or another state under an
46 agreement with the United States Secretary of Labor.

47 (e) (1) Any employing unit, or any officer or agent of an
48 employing unit, which officer or agent is directly or indirectly

1 responsible for collecting, truthfully accounting for, remitting when
2 payable any contribution, or filing or causing to be filed any report
3 or statement required by this chapter, or employer, or person failing
4 to remit, when payable, any employer contributions, or worker
5 contributions (if withheld or deducted), or the amount of such
6 worker contributions (if not withheld or deducted), or filing or
7 causing to be filed with the controller or the Division of
8 Unemployment and Temporary Disability Insurance of the
9 Department of Labor and Workforce Development of the State of
10 New Jersey, any false or fraudulent report or statement, and any
11 person who aids or abets an employing unit, employer, or any
12 person in the preparation or filing of any false or fraudulent report
13 or statement with intent to defraud the State of New Jersey or an
14 employment security agency of any other state or of the federal
15 government, or with intent to evade the payment of any
16 contributions, interest or penalties, or any part thereof, which shall
17 be due under the provisions of this chapter (R.S.43:21-1 et seq.),
18 shall be liable for each offense upon conviction before any Superior
19 Court or municipal court, to a fine not to exceed \$1,000.00 or by
20 imprisonment for a term not to exceed 90 days, or both, at the
21 discretion of the court. The fine upon conviction shall be payable to
22 the unemployment compensation auxiliary fund. Any penalties
23 imposed by this subsection shall be in addition to those otherwise
24 prescribed in this chapter (R.S.43:21-1 et seq.).

25 (2) Any employing unit, officer or agent of the employing unit,
26 or any other person, who knowingly violates, or attempts to violate,
27 or advise another person to violate the transfer of employment
28 experience provisions found at R.S.43:21-7 (c)(7) shall be, upon
29 conviction before any Superior Court or municipal court, guilty of a
30 crime of the fourth degree. For the purposes of this subsection,
31 "knowingly" means having actual knowledge of, or acting with
32 deliberate ignorance or reckless disregard for the prohibition
33 involved.

34 (f) Any employing unit or any officer or agent of an employing
35 unit or any other person who aids and abets any person to obtain
36 any sum of benefits under this chapter to which he is not entitled, or
37 a larger amount as benefits than that to which he is justly entitled,
38 shall be liable for each offense upon conviction before any Superior
39 Court or municipal court, to a fine not to exceed \$1,000.00 or by
40 imprisonment for a term not to exceed 90 days, or both, at the
41 discretion of the court. The fine upon conviction shall be payable to
42 the unemployment compensation auxiliary fund. Any penalties
43 imposed by this subsection shall be in addition to those otherwise
44 prescribed in this chapter (R.S.43:21-1 et seq.).

45 (g) There shall be created in the Division of Unemployment and
46 Temporary Disability Insurance of the Department of Labor and
47 Workforce Development of the State of New Jersey an investigative

1 staff for the purpose of investigating violations referred to in this
2 section and enforcing the provisions thereof.

3 (h) An employing unit or any officer or agent of an employing
4 unit who makes a false statement or representation, knowing it to be
5 false, or who knowingly fails to disclose a material fact, to reduce
6 benefit charges to the employing unit pursuant to paragraph (1) of
7 subsection (c) of R.S.43:21-7, shall be liable to a fine of \$1,000, to
8 be recovered in an action at law in the name of the Division of
9 Unemployment and Temporary Disability Insurance of the
10 Department of Labor and Workforce Development of the State of
11 New Jersey or as provided in subsection (e) of R.S.43:21-14. The
12 fine when recovered shall be paid to the unemployment
13 compensation auxiliary fund for the use of the fund. Each false
14 statement or representation or failure to disclose a material fact, and
15 each day of that failure or refusal shall constitute a separate offense.
16 Any penalties imposed by this subsection shall be in addition to
17 those otherwise prescribed in R.S.43:21-1 et seq.

18 (i) The Department of Labor and Workforce Development shall
19 arrange for the electronic receipt of death record notifications from
20 the New Jersey Electronic Death Registration System, pursuant to
21 section 16 of P.L.2003, c.221 (C.26:8-24.1), and establish a
22 verification system to confirm that benefits paid pursuant to the
23 “Temporary Disability Benefits Law,” P.L.1948, c.110 (C.43:21-25
24 et al.), and the “unemployment compensation law,” R.S.43:21-1 et
25 seq., are not being paid to deceased individuals.

26 (j) The Department of Labor and Workforce Development shall
27 arrange for the electronic receipt of identifying information from
28 the Department of Corrections, pursuant to section 6 of P.L.1976,
29 c.98 (C.30:1B-6), and establish a verification system to confirm that
30 benefits paid pursuant to the “Temporary Disability Benefits Law,”
31 P.L.1948, c.110 (C.43:21-25 et al.), and the “unemployment
32 compensation law,” R.S.43:21-1 et seq., are not being paid to
33 individuals who are incarcerated.

34 (cf: P.L.2010, c.82, s.2)

35

36 6. This act shall take effect immediately.

37

38

39

STATEMENT

40

41 This bill requires certain notifications to eliminate fraud in the
42 UI system. The State registrar is directed to facilitate the electronic
43 notification, upon completion of the death record and issuance of a
44 burial permit, of a decedent’s name, Social Security number and
45 last known address to the Department of Labor and Workforce
46 Development. Additionally, the Department of Corrections is
47 required to provide the Department of Labor and Workforce
48 Development with the name and social security number of each

1 inmate at the time of incarceration. The department is instructed to
2 establish a system to cross check the death records and the list of
3 inmates with files of individuals who are receiving unemployment
4 insurance or temporary disability insurance benefits. The cross
5 check will act as a safeguard for these public benefit programs and
6 diminish the false payment of UI and TDI benefits.

7 The Office of the State Auditor completed an audit of the
8 Department of Labor and Workforce Development's
9 Unemployment Insurance Services program for the period of July 1,
10 2009 through June 30, 2011 focused on benefit payments. The audit
11 uncovered various mechanisms of the benefit payment system that
12 could be improved or updated to improve the collection of data and
13 provide a more timely analysis and verification of wages earned and
14 a beneficiary's status.

15 The audit recommended that the department should "obtain Vital
16 Statistics death files, perform periodic cross matches, and test the
17 result for conflicts." This bill will expedite that process and allow
18 the department to receive the electronic notification of death and
19 incarceration statistics in a timely manner to ensure that individuals
20 who are not eligible do not receive unemployment insurance
21 benefits or temporary disability benefits.

ASSEMBLY BUDGET COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR ASSEMBLY, No. 3812

STATE OF NEW JERSEY

DATED: JUNE 17, 2013

The Assembly Budget Committee reports favorably an Assembly Committee Substitute for Assembly Bill No. 3812.

The substitute requires certain notifications to discourage fraud in the unemployment insurance (UI) and the temporary disability insurance (TDI) systems.

The substitute requires the State registrar to facilitate the electronic notification, upon completion of the death record and issuance of a burial permit, of a decedent's name, Social Security number and last known address to the Department of Labor and Workforce Development. The substitute directs the department to establish a system to cross check the death records with files of individuals who are receiving UI or TDI benefits. The cross checks will be used to confirm the UI and TDI benefits are not being paid to deceased individuals.

The substitute also requires the Department of Corrections to compile and provide to the Department of Labor and Workforce Development the name and social security number of each inmate upon incarceration. The substitute directs the Department of Labor and Workforce Development to arrange for the electronic receipt of information from the Department of Corrections, the Administrative Office of the Courts (AOC), and any county which does not provide county inmate incarceration data to the AOC, and establish a verification system to confirm that UI benefits are not being paid to incarcerated individuals.

The substitute takes effect immediately upon enactment.

As reported, this substitute is identical to Senate Bill Nos. 2626 and 2838 (SCS).

FISCAL IMPACT:

The substitute was not certified as requiring a fiscal note.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR **ASSEMBLY, No. 3812**

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 12, 2013

The Senate Budget and Appropriations Committee reports favorably Assembly No. 3812 (ACS), with committee amendments.

The bill, as amended, requires certain notifications to discourage fraud in the unemployment insurance (UI) system, the Temporary Disability Insurance (TDI) system and for beneficiary programs in the Department of Human Services.

The State registrar is required to facilitate the electronic notification, upon completion of the death record and issuance of a burial permit, of a decedent's name, Social Security number and last known address to the Department of Labor and Workforce Development and the Department of Human Services. The departments are required to establish a system to cross check the death records with files of individuals who are receiving benefits. The cross checks will be used to confirm that the benefits are not being paid to deceased individuals.

The bill also requires the Department of Corrections, the Administrative Office of the Courts, and certain county entities to compile and provide to the Department of Labor and Workforce Development and the Department of Human Services the name and Social Security number of each inmate upon incarceration. The departments are required to arrange for the electronic receipt of information from the Department of Corrections and the Administrative Office of the Courts (AOC), and any county which does not provide county inmate incarceration data to the AOC, and establish a verification system to confirm that benefits are not being paid to incarcerated individuals.

As amended and reported, Assembly Bill Nos. 3812 (ACS) is identical to Senate Bill Nos. 2626 and 2838 (SCS), as also amended and reported by the committee.

COMMITTEE AMENDMENTS:

The committee amendments provide:

1. That the information required by the bill regarding death and incarceration be provided to the Department of Human Services

(DHS) and that the department make arrangements for receiving the information and using it in checking eligibility for department benefits;

2. That the information provided by the Department of Corrections not include information regarding incarceration in county and local institutions; and

3. That the Administrative Office of the Courts (AOC), and counties and localities not reporting to the AOC, provide information regarding incarceration to the DHS and the Department of Labor and Workforce Development.

FISCAL IMPACT:

The OLS estimates that the Assembly Committee Substitute for Assembly Bill No. 3812, as amended, will reduce expenditures from the unemployment insurance compensation trust fund (UI trust fund), the State Disability Benefits Fund, the New Jersey Medical Assistance and Health Services Program (Medicaid), the Supplemental Nutrition Assistance Program (SNAP), and the Work First New Jersey Program (WFNJ) due to a reduction in payments to ineligible payees.

The Office of the State Comptroller's audit report on Improper Benefit Payments to Incarcerated Individuals, issued on May 29, 2013, identified the following payments from July 1, 2009 to April 30, 2011 to ineligible, incarcerated individuals:

UI trust fund	\$10.6 million
Medicaid Program	\$ 7.1 million
SNAP	\$ 4.3 million
WFNJ	\$ 1.2 million

Additionally, the Office of the State Auditor performed an audit of the UI program and identified overpayments to improper payees, including incarcerated individuals and deceased individuals. The audit compared UI benefits during this time period to Vital Statistics death files from 2006 to May 2011 and identified 50 claimants receiving payments totaling \$237,000 made after the date of death. Notably, "one claimant had an October 2008 date of death and collected more than \$8,000 between February 2010 and May 2011. Six claimants were still collecting payments as of October 1, 2011 even though they had died up to 11 months prior."

The ACS for A3812, as amended, will implement the recommendations of the Office of the State Comptroller and the Office of the State Auditor and will establish in statute a requirement to ensure that there are functioning cross check systems in place between the Department of Corrections, the Department of Human Services, the Department of Labor and Workforce Development, the State Registrar and the Administrative Office of the Courts to reduce the number of ineligible payees that are able to access benefits each year.

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY COMMITTEE SUBSTITUTE FOR

ASSEMBLY, No. 3812

STATE OF NEW JERSEY

215th LEGISLATURE

DATED: DECEMBER 23, 2013

SUMMARY

Synopsis: Requires transfer of certain records to DOLWD and DHS

Type of Impact: Expenditure decrease: unemployment insurance compensation trust fund (UI trust fund), the State Disability Benefits Fund (SDBF), the New Jersey Medical Assistance and Health Services Program (Medicaid), the Supplemental Nutrition Assistance Program (SNAP), and the Work First New Jersey Program (WFNJ).

Agencies Affected: Department of Corrections, Department of Health, Department of Human Services, Department of Labor and Workforce Development

Fiscal Impact	
UI trust fund SDBF General Fund	Indeterminate decrease in expenditures

- The Office of Legislative Services (OLS) estimates that the First Reprint to the Assembly Committee Substitute for Assembly Bill No. 3812 will reduce expenditures from the unemployment insurance compensation trust fund (UI trust fund) and the State Disability Benefits Fund (SDBF) by an indeterminate amount.
- The OLS estimates that State expenditures for the Medicaid, Supplemental Nutrition Assistance Program (SNAP) and Work First New Jersey Program (WFNJ) programs should also be reduced by an indeterminate amount.
- The Office of the State Comptroller's audit report on Improper Benefit Payments to Incarcerated Individuals, issued on May 29, 2013, identified the following overpayments paid out from July 1, 2009 to April 30, 2011 to ineligible, incarcerated individuals: over \$10.6 million in UI benefits; \$7.1 million in the Medicaid Program; \$4.3 million through the SNAP program; and, \$1.2 million to the WFNJ.

- The Office of the State Auditor's audit of the Unemployment Insurance Services program, issued on October 11, 2012, also identified over \$350,000 in overpayments to 198 claimants who were incarcerated, and thus ineligible, at the time of receipt of benefits for the time period July 1, 2010 to June 30, 2011.
- The Office of the State Auditor's audit of the Unemployment Insurance Services program further identified over \$230,000 in payments from the UI trust fund to individuals who were deceased.
- The Office of the State Comptroller recommended that the Department of Labor and Workforce Development and the Department of Human Services improve their methods of cross-checking the eligibility status of beneficiaries.

BILL DESCRIPTION

The First Reprint to the Assembly Committee Substitute for Assembly Bill No. 3812 of 2013 requires certain notifications to discourage fraud in the unemployment insurance (UI) system, the Temporary Disability Insurance (TDI) system and for beneficiary programs in the Department of Human Services.

The State registrar is required to facilitate the electronic notification, upon completion of the death record and issuance of a burial permit, of a decedent's name, Social Security number and last known address to the Department of Labor and Workforce Development and the Department of Human Services. The departments are required to establish a system to cross check the death records with files of individuals who are receiving benefits. The cross checks will be used to confirm that the benefits are not being paid to deceased individuals.

The bill also requires the Department of Corrections, the Administrative Office of the Courts (AOC) and certain counties to compile and provide to the Department of Labor and Workforce Development and the Department of Human Services the name and Social Security number of each inmate upon incarceration. The Department of Labor and Workforce Development and the Department of Human Services are required to arrange for the electronic receipt of information from the Department of Corrections, the AOC, and any county which does not provide county inmate incarceration data to the AOC, and establish a verification system to confirm that benefits are not being paid to incarcerated individuals.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS estimates that the First Reprint to the Assembly Committee Substitute for Assembly Bill No. 3812 will reduce expenditures from the UI trust fund and the State Disability Benefits Fund due to a reduction in payments to ineligible payees. Furthermore, the OLS

estimates that State expenditures for the Medicaid, SNAP and WFNJ programs will also be reduced by an indeterminate amount.

The Office of the State Comptroller's audit report on Improper Benefit Payments to Incarcerated Individuals, issued on May 29, 2013, identified the following overpayments paid out from July 1, 2009 to April 30, 2011 to ineligible, incarcerated individuals: over \$10.6 million in UI benefits; \$7.1 million in the Medicaid Program; \$4.3 million through the SNAP program; and, \$1.2 million to the WFNJ. In the report, the Comptroller recommended that the Department of Corrections and the Administrative Office of the Courts act to ensure that county incarceration data as well as State incarceration data are subject to a thorough cross check with unemployment insurance beneficiary data and Department of Human Services beneficiary data.

The Office of the State Auditor performed an audit of the Unemployment Insurance Services program which was released on October 11, 2012 and identified overpayments to improper payees, including incarcerated individuals and deceased individuals. The auditors verified that over \$350,000 had been paid out to 198 claimants who were incarcerated at the time of receipt of benefits for the time period July 1, 2010 to June 30, 2011. Furthermore, the audit compared UI benefits during this time period to Vital Statistics death files from 2006 to May 2011 and identified 50 claimants receiving payments totaling \$237,000 made after the date of death. Notably, "one claimant had an October 2008 date of death and collected more than \$8,000 between February 2010 and May 2011. Six claimants were still collecting payments as of October 1, 2011 even though they had died up to 11 months prior." The audit recommended that the Department of Labor and Workforce Development "obtain Vital Statistics death files, perform periodic cross matches, and test the results for conflicts." Additionally, improper payments to deceased individuals and incarcerated claimants should be investigated and pursued for reimbursement.

The Department of Labor and Workforce Development, in its response to the Office of the State Comptroller and the Office of the State Auditor, stated that it had implemented additional safeguards to prevent the payment of benefits to ineligible payees. These safeguards include a cross check system with the Administrative Office of the Courts to cross-match UI payments with individuals incarcerated in the county jails, beginning on March 23, 2013.

The Department of Human Services, in its response to the Office of the State Comptroller, stated that it was "in the process of solidifying a procedure with the Department of Corrections regarding access to their client records." Additionally, the Department of Human Services was "in the process of working with the Administrative Office of the Courts on a new process regarding access to county jail data as well."

The First Reprint to the Assembly Committee Substitute for Assembly Bill No. 3812 will implement the recommendations of both the Office of the State Comptroller and the Office of the State Auditor and will establish in statute a requirement to ensure that there are functioning cross check systems in place to reduce the number of ineligible payees that are able to access benefits each year.

Section: Commerce, Labor and Industry
Analyst: Robin C. Ford
Senior Fiscal Analyst
Approved: David J. Rosen
Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

SENATE, No. 2626

STATE OF NEW JERSEY
215th LEGISLATURE

INTRODUCED MARCH 4, 2013

Sponsored by:

Senator FRED H. MADDEN, JR.

District 4 (Camden and Gloucester)

Senator SANDRA B. CUNNINGHAM

District 31 (Hudson)

SYNOPSIS

Requires transfer of certain records to DOLWD.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning the transfer of certain records to the
2 Department of Labor and Workforce Development and revising
3 various parts of the statutory law.

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

7
8 1. R.S.26:8-24 is amended to read as follows:

9 26:8-24. The State registrar shall:

10 a. Have general supervision throughout the State of the
11 registration of vital records;

12 b. Have supervisory power over local registrars, deputy local
13 registrars, alternate deputy local registrars, and subregistrars, in the
14 enforcement of the law relative to the disposal of dead bodies and
15 the registration of vital records;

16 c. Prepare, print, and supply to all registrars, upon request
17 therefor, all blanks and forms used in registering the records
18 required by said law, and provide for and prescribe the use of the
19 NJ-EDRS. No other blanks or methods of registration shall be used
20 than those supplied or approved by the State registrar;

21 d. Carefully examine the certificates or electronic files received
22 periodically from the local registrars or originating from their
23 jurisdiction; and, if any are incomplete or unsatisfactory, require
24 such further information to be supplied as may be necessary to
25 make the record complete and satisfactory;

26 e. Arrange or bind, and permanently preserve the certificates of
27 vital records, or the information comprising those records, in a
28 systematic manner and in a form that is deemed most consistent
29 with contemporary and developing standards of vital statistical
30 archival record keeping;

31 f. Prepare and maintain a comprehensive and continuous index
32 of all vital records registered, the index to be arranged
33 alphabetically:

34 1. In the case of deaths, by the name of the decedent;

35 2. In the case of births, by the name of child, if given, and if
36 not, then by the name of father or mother;

37 3. In the case of marriages, by the surname of the husband and
38 also by the maiden name of the wife;

39 4. In the case of civil unions, by the surname of each of the
40 parties to the civil union;

41 5. In the case of domestic partnerships, by the surname of each
42 of the partners;

43 g. Mark the birth certificate of a missing child when notified by
44 the Missing Persons Unit in the Department of Law and Public

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

Matter underlined thus is new matter.

1 Safety pursuant to section 3 of P.L.1995, c.395 (C.52:17B-9.8c);
2 **[and]**

3 h. Develop and provide to local registrars an education and
4 training program, which the State registrar may require each local
5 registrar to complete as a condition of retaining that position, and
6 which may be offered to deputy local registrars, alternate deputy
7 local registrars and subregistrars at the discretion of the State
8 registrar, that includes material designed to implement the NJ-
9 EDRS and to familiarize local registrars with the statutory
10 requirements applicable to their duties and any rules and regulations
11 adopted pursuant thereto, as deemed appropriate by the State
12 registrar; and

13 i. Facilitate the electronic notification, upon completion of the
14 death record and issuance of a burial permit, of the decedent's
15 name, Social Security number and last known address to the
16 Department of Labor and Workforce Development to safeguard
17 public benefit programs and diminish the criminal use of a
18 decedent's name and other identifying information.

19 (cf: P.L.2006, c.103, s.41)

20

21 2. Section 16 of P.L.2003, c.221 (C.26:8-24.1) is amended to
22 read as follows:

23 16. a. The State registrar shall establish and maintain the New
24 Jersey Electronic Death Registration System or NJ-EDRS.

25 (1) The system shall be fully implemented no later than 18
26 months after the date of enactment of P.L.2003, c.221, and shall be
27 the required means of death registration and certification for any
28 death or fetal death occurring in this State, subject to any exception
29 that may be approved by the State registrar in the case of a specific
30 death or fetal death. All participants in the death registration
31 process, including, but not limited to, the State registrar, local
32 registrars, deputy registrars, alternate deputy registrars,
33 subregistrars, the State medical examiner, county medical
34 examiners, funeral directors, attending physicians and resident
35 physicians, licensed health care facilities, and other public or
36 private institutions providing medical care, treatment or
37 confinement to persons, shall be required to utilize the NJ-EDRS to
38 provide the information that is required of them by statute or
39 regulation.

40 (2) The State registrar may provide for a phased implementation
41 of the system, beginning seven months after the date of enactment
42 of P.L.2003, c.221, by requiring certain users, who are designated
43 by the State registrar on a geographic or other basis for this
44 purpose, to commence utilization of the system.

45 (3) Beginning no later than six months after the date of
46 enactment of P.L.2003, c.221, the State registrar shall authorize and
47 provide material support, in the form of system access, curriculum
48 guidelines and user registration capability and authority, to the

1 principal trade associations or professional organizations
2 representing persons affected by implementation of the NJ-EDRS,
3 for the purposes of providing training and education with regard to
4 the NJ-EDRS. The State registrar may conduct such education and
5 training, or authorize other entities to do so on his behalf; however,
6 these activities shall not be construed as restricting the training and
7 education activities of any affected trade association or professional
8 organization, including the location, manner, fees or other means of
9 conducting those activities on the part of the association or
10 organization.

11 b. The NJ-EDRS shall, at a minimum, provide for:

12 (1) the direct transmission of burial permit documentation to the
13 originating funeral home in an electronic form capable of output to
14 a local printer;

15 (2) an overnight mail system for the delivery of NJ-EDRS-
16 generated death certificates by the State registrar and local
17 registrars, the cost of which shall be chargeable to the funeral
18 director of record;

19 (3) an automated notification system to alert other responsible
20 parties to pending cases, including notification to or from alternate
21 local registrars;

22 (4) a systematic electronic payment method by which all fees
23 are taken from accounts for which funeral homes are financially
24 responsible and distributed, as appropriate, to the State registrar or
25 local registrars as payment for the issuance of permits, the
26 recording of records, the making of certified copies of death
27 certificates, or for other charges that may be incurred;

28 (5) a legally binding system of digital authentication in lieu of
29 signatures for the responsible parties and a means of assuring
30 database security that permits users to enter the system from
31 multiple sites and includes contemporaneous and remote data
32 security methods to protect the system from catastrophic loss or
33 intrusions, as well as a method of data encryption for transmission;

34 (6) the capacity for authorized users to retrieve data comprising
35 the death certification record;

36 (7) the capacity to electronically amend and correct death
37 records;

38 (8) electronic notification, upon completion of the death record
39 and issuance of a burial permit, of the decedent's name, Social
40 Security number and last known address and the informant to: the
41 federal Social Security Administration, the **U.S. Citizenship and Immigration**
42 **Services**, the Division of Medical Assistance and Health Services in
43 the Department of Human Services, the Department of Labor and
44 Workforce Development and such other governmental agencies as
45 the State registrar determines will substantially contribute to
46 safeguarding public benefit programs and diminish the criminal use
47 of a decedent's name and other identifying information; and the
48

1 New Jersey State Funeral Directors Association, in the case of a
2 decedent participating in one of its funeral expense payment
3 programs, in such a manner as to enable it to fulfill its fiduciary
4 obligations for the payment of the decedent's final funeral and
5 burial expenses;

6 (9) sufficient data documentation to meet contemporary and
7 emerging standards and expectations of vital record archiving; and

8 (10) continuous 24-hour-a-day technical support for all
9 authorized users of the system.

10 c. A provider of information that is required to complete a
11 death certificate, or who is subject to the provisions of law
12 governing the NJ-EDRS, shall not be deemed to be acting as a local
13 registrar, deputy registrar, alternate deputy registrar or subregistrar
14 solely by virtue of permitting other providers of information to gain
15 access to the NJ-EDRS by using those other providers' identifying
16 information.

17 (cf: P.L.2003, c.221, s.16)

18

19 3. Section 18 of P.L.2003, c.221 (C.26:8-24.3) is amended to
20 read as follows:

21 18. The State Medical Examiner, the Commissioner of Labor
22 and Workforce Development or his designee, county medical
23 examiners, licensed health care facilities, other public or private
24 institutions providing medical care, treatment or confinement to
25 persons, funeral homes and physicians' private practice offices, as
26 defined by the State registrar, shall acquire the electronic means
27 prescribed by the State registrar to access the NJ-EDRS, or make
28 such other arrangements as are necessary for that purpose, no later
29 than six months after the date of enactment of P.L.2003, c.221.

30 The State Medical Examiner, the Commissioner of Labor and
31 Workforce Development or his designee, and each county medical
32 examiner, health care facility, institution, funeral home or
33 physician's office shall employ at least one person who is qualified
34 to use the NJ-EDRS, and is registered with the State registrar as an
35 authorized user of the system, by virtue of completing a course of
36 instruction on the NJ-EDRS provided by the State registrar or an
37 authorized agent thereof, or satisfying such other requirements as
38 may be established by the State registrar for this purpose.

39 (cf: P.L.2003, c.221, s.18)

40

41 4. Section 6 of P.L.1976, c.98 (C.30:1B-6) is amended to read
42 as follows:

43 6. The commissioner, as administrator and chief executive
44 officer of the department, shall:

45 a. Administer the work of the department;

46 b. Appoint and remove officers and other personnel employed
47 within the department, subject to the provisions of Title **[11 of the**
48 **Revised Statutes]** 11A, Civil Service, of the New Jersey Statutes,

- 1 and other applicable statutes, except as herein otherwise specifically
2 provided;
- 3 c. Perform, exercise and discharge the functions, powers and
4 duties of the department through such divisions as may be
5 established by this act or otherwise by law;
- 6 d. Organize the work of the department in such divisions, not
7 inconsistent with the provisions of this act, and in such bureaus and
8 other organizational units as he may determine to be necessary for
9 efficient and effective operation;
- 10 e. Formulate, adopt, issue and promulgate, in the name of the
11 department such rules and regulations for the efficient conduct of
12 the work and general administration of the department, the
13 institutions or noninstitutional agencies within its jurisdiction, its
14 officers and employees as may be authorized by law;
- 15 f. Determine all matters relating to the unified and continuous
16 development of the institutions and noninstitutional agencies within
17 his jurisdiction;
- 18 g. Determine all matters of policy and regulate the
19 administration of the institutions or noninstitutional agencies within
20 his jurisdiction, correct and adjust the same so that each shall
21 function as an integral part of a general system. The rules,
22 regulations, orders and directions promulgated by the commissioner
23 for this purpose shall be accepted and enforced by the executive
24 having charge of any institution or group of institutions or
25 noninstitutional agencies or any phase of the work within the
26 jurisdiction of the department;
- 27 h. Institute or cause to be instituted such legal proceedings or
28 processes as may be necessary to enforce properly and give effect to
29 any of his powers or duties; for the purpose of any such
30 investigation, he may cause to be examined under oath any and all
31 persons whatsoever and compel by subpoena the attendance of
32 witnesses and the production of such books, records, accounts,
33 papers and other documents as are appropriate. If a witness fails
34 without good cause to attend, testify or produce such records or
35 documents as are directed in the subpoena, he shall be punished in
36 the manner provided for the punishment of any witness who
37 disobeys a summons or subpoena issued from a court of record in
38 this State;
- 39 i. Make a report in each year to the Governor and to the
40 Legislature of the department's operations for the preceding fiscal
41 year, and render such other reports as the Governor shall from time
42 to time request or as may be required by law;
- 43 j. Appoint such advisory committees as may be desirable to
44 advise and assist the department or a division in carrying out its
45 functions and duties;
- 46 k. Maintain suitable headquarters for the department and such
47 other quarters as he shall deem necessary to the proper functioning
48 of the department;

1 l. Develop and from time to time revise and maintain a
2 comprehensive master plan for the State's correctional system
3 which shall indicate, among other things, the department's goals,
4 objectives, resources and needs;

5 m. Promote the development of alternatives to conventional
6 incarceration for those offenders who can be dealt with more
7 effectively in less restrictive, community-based facilities;

8 n. (Deleted by amendment, P.L.1995, c.280);

9 o. Promote a unified criminal justice system, including the
10 integration of State and local correctional programs and probation
11 and parole services;

12 p. Provide for the timely and efficient collection and analysis
13 of data regarding the correctional system to insure the continuing
14 review and evaluation of correctional services, policies and
15 procedures; **[and]**

16 q. Perform such other functions as may be prescribed in this act
17 or by any other law; and

18 r. Compile and provide to the Department of Labor and
19 Workforce Development identifying information on each inmate
20 incarcerated in each State, county and local institution at the time of
21 incarceration. The information shall be transmitted electronically in
22 a timely manner and shall provide identifying characteristics,
23 including name and social security number, to be used by the
24 Department of Labor and Workforce Development to verify
25 individuals' eligibility for benefit programs administered by the
26 department pursuant to R.S.43:21-16.

27 (cf: P.L.1995, c.280, s.28)

28

29 5. R.S.43:21-16 is amended to read as follows:

30 43:21-16. (a) Whoever makes a false statement or representation,
31 knowing it to be false, or knowingly fails to disclose a material fact,
32 to obtain or increase or attempts to obtain or increase any benefit or
33 other payment under this chapter (R.S.43:21-1 et seq.), or under an
34 employment security law of any other state or of the federal
35 government, either for himself or for any other person, shall be
36 liable to a fine of \$20.00 for each offense, or 25% of the amount
37 fraudulently obtained, whichever is greater, to be recovered in an
38 action at law in the name of the Division of Unemployment and
39 Temporary Disability Insurance of the Department of Labor and
40 Workforce Development of the State of New Jersey or as provided
41 in subsection (e) of R.S.43:21-14, said fine when recovered to be
42 paid to the unemployment compensation auxiliary fund for the use
43 of said fund; and each such false statement or representation or
44 failure to disclose a material fact shall constitute a separate offense.
45 Any penalties imposed by this subsection shall be in addition to
46 those otherwise prescribed in this chapter (R.S.43:21-1 et seq.).

47 (b) (1) An employing unit or any officer or agent of an
48 employing unit or any other person who makes a false statement or

1 representation, knowing it to be false, or who knowingly fails to
2 disclose a material fact, to prevent or reduce the payment of
3 benefits to any individual entitled thereto or to avoid becoming or
4 remaining subject hereto or to avoid or reduce any contribution or
5 other payment required from an employing unit under this chapter
6 (R.S.43:21-1 et seq.), or under an employment security law of any
7 other state or of the federal government, or who willfully fails or
8 refuses to furnish any reports required hereunder (except for such
9 reports as may be required under subsection (b) of R.S.43:21-6) or
10 to produce or permit the inspection or copying of records, as
11 required hereunder, shall be liable to a fine of \$100.00, or 25% of
12 the amount fraudulently withheld, whichever is greater, to be
13 recovered in an action at law in the name of the Division of
14 Unemployment and Temporary Disability Insurance of the
15 Department of Labor and Workforce Development of the State of
16 New Jersey or as provided in subsection (e) of R.S.43:21-14, said
17 fine when recovered to be paid to the unemployment compensation
18 auxiliary fund for the use of said fund; and each such false
19 statement or representation or failure to disclose a material fact, and
20 each day of such failure or refusal shall constitute a separate
21 offense. Any penalties imposed by this paragraph shall be in
22 addition to those otherwise prescribed in this chapter (R.S.43:21-1
23 et seq.).

24 (2) Any employing unit or any officer or agent of an employing
25 unit or any other person who fails to submit any report required
26 under subsection (b) of R.S.43:21-6 shall be subject to a penalty of
27 \$25.00 for the first report not submitted within 10 days after the
28 mailing of a request for such report, and an additional \$25.00
29 penalty may be assessed for the next 10-day period, which may
30 elapse after the end of the initial 10-day period and before the
31 report is filed; provided that when such report or reports are not
32 filed within the prescribed time but it is shown to the satisfaction of
33 the director that the failure was due to a reasonable cause, no such
34 penalty shall be imposed. Any penalties imposed by this paragraph
35 shall be recovered as provided in subsection (e) of R.S.43:21-14,
36 and when recovered shall be paid to the unemployment
37 compensation auxiliary fund for the use of said fund.

38 (3) Any employing unit, officer or agent of the employing unit,
39 or any other person, determined by the controller to have knowingly
40 violated, or attempted to violate, or advised another person to
41 violate the transfer of employment experience provisions found at
42 R.S.43:21-7 (c)(7), or who otherwise knowingly attempts to obtain
43 a lower rate of contributions by failing to disclose material
44 information, or by making a false statement, or by a
45 misrepresentation of fact, shall be subject to a fine of \$5,000 or
46 25% of the contributions under-reported or attempted to be under-
47 reported, whichever is greater, to be recovered as provided in
48 subsection (e) of R.S.43:21-14, and when recovered to be paid to

1 the unemployment compensation auxiliary fund for the use of said
2 fund. For the purposes of this subsection, "knowingly" means
3 having actual knowledge of, or acting with deliberate ignorance or
4 reckless disregard for the prohibition involved.

5 (c) Any person who shall willfully violate any provision of this
6 chapter (R.S.43:21-1 et seq.) or any rule or regulation thereunder,
7 the violation of which is made unlawful or the observance of which
8 is required under the terms of this chapter (R.S.43:21-1 et seq.), and
9 for which a penalty is neither prescribed herein nor provided by any
10 other applicable statute, shall be liable to a fine of \$50.00, to be
11 recovered in an action at law in the name of the Division of
12 Unemployment and Temporary Disability Insurance of the
13 Department of Labor and Workforce Development of the State of
14 New Jersey or as provided in subsection (e) of R.S.43:21-14, said
15 fine when recovered to be paid to the unemployment compensation
16 auxiliary fund for the use of said fund; and each day such violation
17 continues shall be deemed to be a separate offense.

18 (d) (1) When it is determined by a representative or
19 representatives designated by the Director of the Division of
20 Unemployment and Temporary Disability Insurance of the
21 Department of Labor and Workforce Development of the State of
22 New Jersey that any person, whether (i) by reason of the
23 nondisclosure or misrepresentation by him or by another of a
24 material fact (whether or not such nondisclosure or
25 misrepresentation was known or fraudulent), or (ii) for any other
26 reason, has received any sum as benefits under this chapter
27 (R.S.43:21-1 et seq.) while any conditions for the receipt of benefits
28 imposed by this chapter (R.S.43:21-1 et seq.) were not fulfilled in
29 his case, or while he was disqualified from receiving benefits, or
30 while otherwise not entitled to receive such sum as benefits, such
31 person, unless the director (with the concurrence of the controller)
32 directs otherwise by regulation, shall be liable to repay those
33 benefits in full. The employer's account shall not be charged for the
34 amount of an overpayment of benefits if the overpayment was
35 caused by an error of the division and not by any error of the
36 employer. The sum shall be deducted from any future benefits
37 payable to the individual under this chapter (R.S.43:21-1 et seq.) or
38 shall be paid by the individual to the division for the unemployment
39 compensation fund, and such sum shall be collectible in the manner
40 provided for by law, including, but not limited to, the filing of a
41 certificate of debt with the Clerk of the Superior Court of New
42 Jersey; provided, however, that, except in the event of fraud, no
43 person shall be liable for any such refunds or deductions against
44 future benefits unless so notified before four years have elapsed
45 from the time the benefits in question were paid. Such person shall
46 be promptly notified of the determination and the reasons therefor.
47 The determination shall be final unless the person files an appeal of
48 the determination within seven calendar days after the delivery of

1 the determination, or within 10 calendar days after such notification
2 was mailed to his last-known address, for any determination made
3 on or before December 1, 2010, and any initial determination made
4 pursuant to paragraph (1) of subsection (b) of R.S.43:21-6 after
5 December 1, 2010, or within 20 calendar days after the delivery of
6 such determination, or within 20 calendar days after such
7 notification was mailed to his last-known address, for any
8 determination other than an initial determination made after
9 December 1, 2010.

10 (2) Interstate and cross-offset of state and federal unemployment
11 benefits. To the extent permissible under the laws and Constitution
12 of the United States, the commissioner is authorized to enter into or
13 cooperate in arrangements or reciprocal agreements with
14 appropriate and duly authorized agencies of other states or the
15 United States Secretary of Labor, or both, whereby:

16 (A) Overpayments of unemployment benefits as determined
17 under subsection (d) of R.S.43:21-16 shall be recovered by offset
18 from unemployment benefits otherwise payable under the
19 unemployment compensation law of another state, and
20 overpayments of unemployment benefits as determined under the
21 unemployment compensation law of another state shall be
22 recovered by offset from unemployment benefits otherwise payable
23 under R.S.43:21-1 et seq.; and

24 (B) Overpayments of unemployment benefits as determined
25 under applicable federal law, with respect to benefits or allowances
26 for unemployment provided under a federal program administered
27 by this State under an agreement with the United States Secretary of
28 Labor, shall be recovered by offset from unemployment benefits
29 otherwise payable under R.S.43:21-1 et seq., or any federal program
30 administered by this State, or under the unemployment
31 compensation law of another state or any federal unemployment
32 benefit or allowance program administered by another state under
33 an agreement with the United States Secretary of Labor, if the other
34 state has in effect a reciprocal agreement with the United States
35 Secretary of Labor as authorized by subsection (g) of 42
36 U.S.C.s.503, and if the United States agrees, as provided in the
37 reciprocal agreement with this State entered into under subsection
38 (g) of 42 U.S.C.s.503, that overpayments of unemployment benefits
39 as determined under subsection (d) of R.S.43:21-16 and
40 overpayments as determined under the unemployment
41 compensation law of another state which has in effect a reciprocal
42 agreement with the United States Secretary of Labor as authorized
43 by subsection (g) of 42U.S.C.s.503, shall be recovered by offset
44 from benefits or allowances otherwise payable under a federal
45 program administered by this State or another state under an
46 agreement with the United States Secretary of Labor.

47 (e) (1) Any employing unit, or any officer or agent of an
48 employing unit, which officer or agent is directly or indirectly

1 responsible for collecting, truthfully accounting for, remitting when
2 payable any contribution, or filing or causing to be filed any report
3 or statement required by this chapter, or employer, or person failing
4 to remit, when payable, any employer contributions, or worker
5 contributions (if withheld or deducted), or the amount of such
6 worker contributions (if not withheld or deducted), or filing or
7 causing to be filed with the controller or the Division of
8 Unemployment and Temporary Disability Insurance of the
9 Department of Labor and Workforce Development of the State of
10 New Jersey, any false or fraudulent report or statement, and any
11 person who aids or abets an employing unit, employer, or any
12 person in the preparation or filing of any false or fraudulent report
13 or statement with intent to defraud the State of New Jersey or an
14 employment security agency of any other state or of the federal
15 government, or with intent to evade the payment of any
16 contributions, interest or penalties, or any part thereof, which shall
17 be due under the provisions of this chapter (R.S.43:21-1 et seq.),
18 shall be liable for each offense upon conviction before any Superior
19 Court or municipal court, to a fine not to exceed \$1,000.00 or by
20 imprisonment for a term not to exceed 90 days, or both, at the
21 discretion of the court. The fine upon conviction shall be payable to
22 the unemployment compensation auxiliary fund. Any penalties
23 imposed by this subsection shall be in addition to those otherwise
24 prescribed in this chapter (R.S.43:21-1 et seq.).

25 (2) Any employing unit, officer or agent of the employing unit,
26 or any other person, who knowingly violates, or attempts to violate,
27 or advise another person to violate the transfer of employment
28 experience provisions found at R.S.43:21-7 (c)(7) shall be, upon
29 conviction before any Superior Court or municipal court, guilty of a
30 crime of the fourth degree. For the purposes of this subsection,
31 "knowingly" means having actual knowledge of, or acting with
32 deliberate ignorance or reckless disregard for the prohibition
33 involved.

34 (f) Any employing unit or any officer or agent of an employing
35 unit or any other person who aids and abets any person to obtain
36 any sum of benefits under this chapter to which he is not entitled, or
37 a larger amount as benefits than that to which he is justly entitled,
38 shall be liable for each offense upon conviction before any Superior
39 Court or municipal court, to a fine not to exceed \$1,000.00 or by
40 imprisonment for a term not to exceed 90 days, or both, at the
41 discretion of the court. The fine upon conviction shall be payable to
42 the unemployment compensation auxiliary fund. Any penalties
43 imposed by this subsection shall be in addition to those otherwise
44 prescribed in this chapter (R.S.43:21-1 et seq.).

45 (g) There shall be created in the Division of Unemployment and
46 Temporary Disability Insurance of the Department of Labor and
47 Workforce Development of the State of New Jersey an investigative

1 staff for the purpose of investigating violations referred to in this
2 section and enforcing the provisions thereof.

3 (h) An employing unit or any officer or agent of an employing
4 unit who makes a false statement or representation, knowing it to be
5 false, or who knowingly fails to disclose a material fact, to reduce
6 benefit charges to the employing unit pursuant to paragraph (1) of
7 subsection (c) of R.S.43:21-7, shall be liable to a fine of \$1,000, to
8 be recovered in an action at law in the name of the Division of
9 Unemployment and Temporary Disability Insurance of the
10 Department of Labor and Workforce Development of the State of
11 New Jersey or as provided in subsection (e) of R.S.43:21-14. The
12 fine when recovered shall be paid to the unemployment
13 compensation auxiliary fund for the use of the fund. Each false
14 statement or representation or failure to disclose a material fact, and
15 each day of that failure or refusal shall constitute a separate offense.
16 Any penalties imposed by this subsection shall be in addition to
17 those otherwise prescribed in R.S.43:21-1 et seq.

18 (i) The Department of Labor and Workforce Development shall
19 arrange for the electronic receipt of death record notifications from
20 the New Jersey Electronic Death Registration System, pursuant to
21 section 16 of P.L.2003, c.221 (C.26:8-24.1), and establish a
22 verification system to confirm that benefits paid pursuant to the
23 “Temporary Disability Benefits Law,” P.L.1948, c.110 (C.43:21-25
24 et al.), and the “unemployment compensation law,” R.S.43:21-1 et
25 seq., are not being paid to deceased individuals.

26 (j) The Department of Labor and Workforce Development shall
27 arrange for the electronic receipt of identifying information from
28 the Department of Corrections, pursuant to section 6 of P.L.1976,
29 c.98 (C.30:1B-6), and establish a verification system to confirm that
30 benefits paid pursuant to the “Temporary Disability Benefits Law,”
31 P.L.1948, c.110 (C.43:21-25 et al.), and the “unemployment
32 compensation law,” R.S.43:21-1 et seq., are not being paid to
33 individuals who are incarcerated.

34 (cf: P.L.2010, c.82, s.2)

35

36 6. This act shall take effect immediately.

37

38

39

STATEMENT

40

41 This bill requires certain notifications to discourage fraud in the
42 unemployment insurance (UI) system. The State registrar is directed
43 to facilitate the electronic notification, upon completion of the death
44 record and issuance of a burial permit, of a decedent’s name, Social
45 Security number and last known address to the Department of Labor
46 and Workforce Development. Additionally, the Department of
47 Corrections is required to provide the Department of Labor and
48 Workforce Development with the name and social security number

1 of each inmate at the time of incarceration. The department is
2 instructed to establish a system to cross check the death records and
3 the list of inmates with files of individuals who are receiving UI or
4 temporary disability insurance (TDI) benefits. The cross check will
5 act as a safeguard for these public benefit programs and diminish
6 the false payment of UI and TDI benefits.

7 The Office of the State Auditor completed an audit of the
8 Department of Labor and Workforce Development's UI program for
9 the period of July 1, 2009 through June 30, 2011 focused on benefit
10 payments. The audit uncovered various mechanisms of the benefit
11 payment system that could be improved or updated to improve the
12 collection of data and provide a more timely analysis and
13 verification of wages earned and a beneficiary's status.

14 The audit recommended that the department should "obtain Vital
15 Statistics death files, perform periodic cross matches, and test the
16 result for conflicts." This bill will expedite that process and allow
17 the department to receive the electronic notification of death and
18 incarceration statistics in a timely manner to ensure that individuals
19 who are not eligible do not receive UI or TDI benefits.

SENATE, No. 2838

STATE OF NEW JERSEY
215th LEGISLATURE

INTRODUCED JUNE 3, 2013

Sponsored by:
Senator PAUL A. SARLO
District 36 (Bergen and Passaic)

SYNOPSIS

Requires transfer of certain incarceration records to DOLWD.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning the transfer of certain incarceration records to
2 the Department of Labor and Workforce Development and
3 revising various parts of the statutory law.

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

7
8 1. Section 6 of P.L.1976, c.98 (C.30:1B-6) is amended to read
9 as follows:

10 6. The commissioner, as administrator and chief executive
11 officer of the department, shall:

12 a. Administer the work of the department;

13 b. Appoint and remove officers and other personnel employed
14 within the department, subject to the provisions of Title **[11 of the**
15 **Revised Statutes]** 11A, Civil Service, of the New Jersey Statutes,
16 and other applicable statutes, except as herein otherwise specifically
17 provided;

18 c. Perform, exercise and discharge the functions, powers and
19 duties of the department through such divisions as may be
20 established by this act or otherwise by law;

21 d. Organize the work of the department in such divisions, not
22 inconsistent with the provisions of this act, and in such bureaus and
23 other organizational units as he may determine to be necessary for
24 efficient and effective operation;

25 e. Formulate, adopt, issue and promulgate, in the name of the
26 department such rules and regulations for the efficient conduct of
27 the work and general administration of the department, the
28 institutions or noninstitutional agencies within its jurisdiction, its
29 officers and employees as may be authorized by law;

30 f. Determine all matters relating to the unified and continuous
31 development of the institutions and noninstitutional agencies within
32 his jurisdiction;

33 g. Determine all matters of policy and regulate the
34 administration of the institutions or noninstitutional agencies within
35 his jurisdiction, correct and adjust the same so that each shall
36 function as an integral part of a general system. The rules,
37 regulations, orders and directions promulgated by the commissioner
38 for this purpose shall be accepted and enforced by the executive
39 having charge of any institution or group of institutions or
40 noninstitutional agencies or any phase of the work within the
41 jurisdiction of the department;

42 h. Institute or cause to be instituted such legal proceedings or
43 processes as may be necessary to enforce properly and give effect to
44 any of his powers or duties; for the purpose of any such
45 investigation, he may cause to be examined under oath any and all

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

Matter underlined thus is new matter.

1 persons whatsoever and compel by subpoena the attendance of
2 witnesses and the production of such books, records, accounts,
3 papers and other documents as are appropriate. If a witness fails
4 without good cause to attend, testify or produce such records or
5 documents as are directed in the subpoena, he shall be punished in
6 the manner provided for the punishment of any witness who
7 disobeys a summons or subpoena issued from a court of record in
8 this State;

9 i. Make a report in each year to the Governor and to the
10 Legislature of the department's operations for the preceding fiscal
11 year, and render such other reports as the Governor shall from time
12 to time request or as may be required by law;

13 j. Appoint such advisory committees as may be desirable to
14 advise and assist the department or a division in carrying out its
15 functions and duties;

16 k. Maintain suitable headquarters for the department and such
17 other quarters as he shall deem necessary to the proper functioning
18 of the department;

19 l. Develop and from time to time revise and maintain a
20 comprehensive master plan for the State's correctional system
21 which shall indicate, among other things, the department's goals,
22 objectives, resources and needs;

23 m. Promote the development of alternatives to conventional
24 incarceration for those offenders who can be dealt with more
25 effectively in less restrictive, community-based facilities;

26 n. (Deleted by amendment, P.L.1995, c.280);

27 o. Promote a unified criminal justice system, including the
28 integration of State and local correctional programs and probation
29 and parole services;

30 p. Provide for the timely and efficient collection and analysis
31 of data regarding the correctional system to insure the continuing
32 review and evaluation of correctional services, policies and
33 procedures; **[and]**

34 q. Perform such other functions as may be prescribed in this act
35 or by any other law; and

36 r. Compile and provide to the Department of Labor and
37 Workforce Development identifying information on each inmate
38 incarcerated in each State, county and local institution at the time of
39 incarceration. The information shall be transmitted electronically in
40 a timely manner and shall provide identifying characteristics,
41 including name and social security number, to be used by the
42 Department of Labor and Workforce Development to verify
43 individuals' eligibility for benefit programs administered by the
44 department pursuant to R.S.43:21-16.

45 (cf: P.L.1995, c.280, s.28)

46

47 2. R.S.43:21-16 is amended to read as follows:

1 43:21-16. (a) Whoever makes a false statement or representation,
2 knowing it to be false, or knowingly fails to disclose a material fact,
3 to obtain or increase or attempts to obtain or increase any benefit or
4 other payment under this chapter (R.S.43:21-1 et seq.), or under an
5 employment security law of any other state or of the federal
6 government, either for himself or for any other person, shall be
7 liable to a fine of \$20.00 for each offense, or 25% of the amount
8 fraudulently obtained, whichever is greater, to be recovered in an
9 action at law in the name of the Division of Unemployment and
10 Temporary Disability Insurance of the Department of Labor and
11 Workforce Development of the State of New Jersey or as provided
12 in subsection (e) of R.S.43:21-14, said fine when recovered to be
13 paid to the unemployment compensation auxiliary fund for the use
14 of said fund; and each such false statement or representation or
15 failure to disclose a material fact shall constitute a separate offense.
16 Any penalties imposed by this subsection shall be in addition to
17 those otherwise prescribed in this chapter (R.S.43:21-1 et seq.).

18 (b) (1) An employing unit or any officer or agent of an
19 employing unit or any other person who makes a false statement or
20 representation, knowing it to be false, or who knowingly fails to
21 disclose a material fact, to prevent or reduce the payment of
22 benefits to any individual entitled thereto or to avoid becoming or
23 remaining subject hereto or to avoid or reduce any contribution or
24 other payment required from an employing unit under this chapter
25 (R.S.43:21-1 et seq.), or under an employment security law of any
26 other state or of the federal government, or who willfully fails or
27 refuses to furnish any reports required hereunder (except for such
28 reports as may be required under subsection (b) of R.S.43:21-6) or
29 to produce or permit the inspection or copying of records, as
30 required hereunder, shall be liable to a fine of \$100.00, or 25% of
31 the amount fraudulently withheld, whichever is greater, to be
32 recovered in an action at law in the name of the Division of
33 Unemployment and Temporary Disability Insurance of the
34 Department of Labor and Workforce Development of the State of
35 New Jersey or as provided in subsection (e) of R.S.43:21-14, said
36 fine when recovered to be paid to the unemployment compensation
37 auxiliary fund for the use of said fund; and each such false
38 statement or representation or failure to disclose a material fact, and
39 each day of such failure or refusal shall constitute a separate
40 offense. Any penalties imposed by this paragraph shall be in
41 addition to those otherwise prescribed in this chapter (R.S.43:21-1
42 et seq.).

43 (2) Any employing unit or any officer or agent of an employing
44 unit or any other person who fails to submit any report required
45 under subsection (b) of R.S.43:21-6 shall be subject to a penalty of
46 \$25.00 for the first report not submitted within 10 days after the
47 mailing of a request for such report, and an additional \$25.00
48 penalty may be assessed for the next 10-day period, which may

1 elapse after the end of the initial 10-day period and before the
2 report is filed; provided that when such report or reports are not
3 filed within the prescribed time but it is shown to the satisfaction of
4 the director that the failure was due to a reasonable cause, no such
5 penalty shall be imposed. Any penalties imposed by this paragraph
6 shall be recovered as provided in subsection (e) of R.S.43:21-14,
7 and when recovered shall be paid to the unemployment
8 compensation auxiliary fund for the use of said fund.

9 (3) Any employing unit, officer or agent of the employing unit,
10 or any other person, determined by the controller to have knowingly
11 violated, or attempted to violate, or advised another person to
12 violate the transfer of employment experience provisions found at
13 R.S.43:21-7 (c)(7), or who otherwise knowingly attempts to obtain
14 a lower rate of contributions by failing to disclose material
15 information, or by making a false statement, or by a
16 misrepresentation of fact, shall be subject to a fine of \$5,000 or
17 25% of the contributions under-reported or attempted to be under-
18 reported, whichever is greater, to be recovered as provided in
19 subsection (e) of R.S.43:21-14, and when recovered to be paid to
20 the unemployment compensation auxiliary fund for the use of said
21 fund. For the purposes of this subsection, "knowingly" means
22 having actual knowledge of, or acting with deliberate ignorance or
23 reckless disregard for the prohibition involved.

24 (c) Any person who shall willfully violate any provision of this
25 chapter (R.S.43:21-1 et seq.) or any rule or regulation thereunder,
26 the violation of which is made unlawful or the observance of which
27 is required under the terms of this chapter (R.S.43:21-1 et seq.), and
28 for which a penalty is neither prescribed herein nor provided by any
29 other applicable statute, shall be liable to a fine of \$50.00, to be
30 recovered in an action at law in the name of the Division of
31 Unemployment and Temporary Disability Insurance of the
32 Department of Labor and Workforce Development of the State of
33 New Jersey or as provided in subsection (e) of R.S.43:21-14, said
34 fine when recovered to be paid to the unemployment compensation
35 auxiliary fund for the use of said fund; and each day such violation
36 continues shall be deemed to be a separate offense.

37 (d) (1) When it is determined by a representative or
38 representatives designated by the Director of the Division of
39 Unemployment and Temporary Disability Insurance of the
40 Department of Labor and Workforce Development of the State of
41 New Jersey that any person, whether (i) by reason of the
42 nondisclosure or misrepresentation by him or by another of a
43 material fact (whether or not such nondisclosure or
44 misrepresentation was known or fraudulent), or (ii) for any other
45 reason, has received any sum as benefits under this chapter
46 (R.S.43:21-1 et seq.) while any conditions for the receipt of benefits
47 imposed by this chapter (R.S.43:21-1 et seq.) were not fulfilled in
48 his case, or while he was disqualified from receiving benefits, or

1 while otherwise not entitled to receive such sum as benefits, such
2 person, unless the director (with the concurrence of the controller)
3 directs otherwise by regulation, shall be liable to repay those
4 benefits in full. The employer's account shall not be charged for the
5 amount of an overpayment of benefits if the overpayment was
6 caused by an error of the division and not by any error of the
7 employer. The sum shall be deducted from any future benefits
8 payable to the individual under this chapter (R.S.43:21-1 et seq.) or
9 shall be paid by the individual to the division for the unemployment
10 compensation fund, and such sum shall be collectible in the manner
11 provided for by law, including, but not limited to, the filing of a
12 certificate of debt with the Clerk of the Superior Court of New
13 Jersey; provided, however, that, except in the event of fraud, no
14 person shall be liable for any such refunds or deductions against
15 future benefits unless so notified before four years have elapsed
16 from the time the benefits in question were paid. Such person shall
17 be promptly notified of the determination and the reasons therefor.
18 The determination shall be final unless the person files an appeal of
19 the determination within seven calendar days after the delivery of
20 the determination, or within 10 calendar days after such notification
21 was mailed to his last-known address, for any determination made
22 on or before December 1, 2010, and any initial determination made
23 pursuant to paragraph (1) of subsection (b) of R.S.43:21-6 after
24 December 1, 2010, or within 20 calendar days after the delivery of
25 such determination, or within 20 calendar days after such
26 notification was mailed to his last-known address, for any
27 determination other than an initial determination made after
28 December 1, 2010.

29 (2) Interstate and cross-offset of state and federal unemployment
30 benefits. To the extent permissible under the laws and Constitution
31 of the United States, the commissioner is authorized to enter into or
32 cooperate in arrangements or reciprocal agreements with
33 appropriate and duly authorized agencies of other states or the
34 United States Secretary of Labor, or both, whereby:

35 (A) Overpayments of unemployment benefits as determined
36 under subsection (d) of R.S.43:21-16 shall be recovered by offset
37 from unemployment benefits otherwise payable under the
38 unemployment compensation law of another state, and
39 overpayments of unemployment benefits as determined under the
40 unemployment compensation law of another state shall be
41 recovered by offset from unemployment benefits otherwise payable
42 under R.S.43:21-1 et seq.; and

43 (B) Overpayments of unemployment benefits as determined
44 under applicable federal law, with respect to benefits or allowances
45 for unemployment provided under a federal program administered
46 by this State under an agreement with the United States Secretary of
47 Labor, shall be recovered by offset from unemployment benefits
48 otherwise payable under R.S.43:21-1 et seq., or any federal program

1 administered by this State, or under the unemployment
2 compensation law of another state or any federal unemployment
3 benefit or allowance program administered by another state under
4 an agreement with the United States Secretary of Labor, if the other
5 state has in effect a reciprocal agreement with the United States
6 Secretary of Labor as authorized by subsection (g) of 42
7 U.S.C.s.503, and if the United States agrees, as provided in the
8 reciprocal agreement with this State entered into under subsection
9 (g) of 42 U.S.C.s.503, that overpayments of unemployment benefits
10 as determined under subsection (d) of R.S.43:21-16 and
11 overpayments as determined under the unemployment
12 compensation law of another state which has in effect a reciprocal
13 agreement with the United States Secretary of Labor as authorized
14 by subsection (g) of 42U.S.C.s.503, shall be recovered by offset
15 from benefits or allowances otherwise payable under a federal
16 program administered by this State or another state under an
17 agreement with the United States Secretary of Labor.

18 (e) (1) Any employing unit, or any officer or agent of an
19 employing unit, which officer or agent is directly or indirectly
20 responsible for collecting, truthfully accounting for, remitting when
21 payable any contribution, or filing or causing to be filed any report
22 or statement required by this chapter, or employer, or person failing
23 to remit, when payable, any employer contributions, or worker
24 contributions (if withheld or deducted), or the amount of such
25 worker contributions (if not withheld or deducted), or filing or
26 causing to be filed with the controller or the Division of
27 Unemployment and Temporary Disability Insurance of the
28 Department of Labor and Workforce Development of the State of
29 New Jersey, any false or fraudulent report or statement, and any
30 person who aids or abets an employing unit, employer, or any
31 person in the preparation or filing of any false or fraudulent report
32 or statement with intent to defraud the State of New Jersey or an
33 employment security agency of any other state or of the federal
34 government, or with intent to evade the payment of any
35 contributions, interest or penalties, or any part thereof, which shall
36 be due under the provisions of this chapter (R.S.43:21-1 et seq.),
37 shall be liable for each offense upon conviction before any Superior
38 Court or municipal court, to a fine not to exceed \$1,000.00 or by
39 imprisonment for a term not to exceed 90 days, or both, at the
40 discretion of the court. The fine upon conviction shall be payable to
41 the unemployment compensation auxiliary fund. Any penalties
42 imposed by this subsection shall be in addition to those otherwise
43 prescribed in this chapter (R.S.43:21-1 et seq.).

44 (2) Any employing unit, officer or agent of the employing unit,
45 or any other person, who knowingly violates, or attempts to violate,
46 or advise another person to violate the transfer of employment
47 experience provisions found at R.S.43:21-7 (c)(7) shall be, upon
48 conviction before any Superior Court or municipal court, guilty of a

1 crime of the fourth degree. For the purposes of this subsection,
2 "knowingly" means having actual knowledge of, or acting with
3 deliberate ignorance or reckless disregard for the prohibition
4 involved.

5 (f) Any employing unit or any officer or agent of an employing
6 unit or any other person who aids and abets any person to obtain
7 any sum of benefits under this chapter to which he is not entitled, or
8 a larger amount as benefits than that to which he is justly entitled,
9 shall be liable for each offense upon conviction before any Superior
10 Court or municipal court, to a fine not to exceed \$1,000.00 or by
11 imprisonment for a term not to exceed 90 days, or both, at the
12 discretion of the court. The fine upon conviction shall be payable to
13 the unemployment compensation auxiliary fund. Any penalties
14 imposed by this subsection shall be in addition to those otherwise
15 prescribed in this chapter (R.S.43:21-1 et seq.).

16 (g) There shall be created in the Division of Unemployment and
17 Temporary Disability Insurance of the Department of Labor and
18 Workforce Development of the State of New Jersey an investigative
19 staff for the purpose of investigating violations referred to in this
20 section and enforcing the provisions thereof.

21 (h) An employing unit or any officer or agent of an employing
22 unit who makes a false statement or representation, knowing it to be
23 false, or who knowingly fails to disclose a material fact, to reduce
24 benefit charges to the employing unit pursuant to paragraph (1) of
25 subsection (c) of R.S.43:21-7, shall be liable to a fine of \$1,000, to
26 be recovered in an action at law in the name of the Division of
27 Unemployment and Temporary Disability Insurance of the
28 Department of Labor and Workforce Development of the State of
29 New Jersey or as provided in subsection (e) of R.S.43:21-14. The
30 fine when recovered shall be paid to the unemployment
31 compensation auxiliary fund for the use of the fund. Each false
32 statement or representation or failure to disclose a material fact, and
33 each day of that failure or refusal shall constitute a separate offense.
34 Any penalties imposed by this subsection shall be in addition to
35 those otherwise prescribed in R.S.43:21-1 et seq.

36 (i) The Department of Labor and Workforce Development shall
37 arrange for the electronic receipt of identifying information from
38 the Department of Corrections, pursuant to section 6 of P.L.1976,
39 c.98 (C.30:1B-6), and from the Administrative Office of the Courts,
40 and establish a verification system to confirm that benefits paid
41 pursuant to the "Temporary Disability Benefits Law," P.L.1948,
42 c.110 (C.43:21-25 et al.), and the "unemployment compensation
43 law," R.S.43:21-1 et seq., are not being paid to individuals who are
44 incarcerated.

45 (cf: P.L.2010, c.82, s.2)

46

47 3. This act shall take effect immediately.

SENATE LABOR COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR **SENATE, Nos. 2626 and 2838**

STATE OF NEW JERSEY

DATED: JUNE 13, 2013

The Senate Labor Committee reports favorably Senate Committee Substitute for Senate Bill Nos. 2626 and 2838.

This substitute requires certain notifications to discourage fraud in the unemployment insurance (UI) and the temporary disability insurance (TDI) systems.

The State registrar is required to facilitate the electronic notification, upon completion of the death record and issuance of a burial permit, of a decedent's name, Social Security number and last known address to the Department of Labor and Workforce Development. The department is required to establish a system to cross check the death records with files of individuals who are receiving UI or TDI benefits. The cross checks will be used to confirm the UI and TDI benefits are not being paid to deceased individuals.

The bill also requires the Department of Corrections to compile and provide to the Department of Labor and Workforce Development the name and social security number of each inmate upon incarceration. The Department of Labor and Workforce Development is required to arrange for the electronic receipt of information from the Department of Corrections, the Administrative Office of the Courts (AOC), and any county which does not provide county inmate incarceration data to the AOC, and establish a verification system to confirm that UI benefits are not being paid to incarcerated individuals.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR **SENATE, Nos. 2626 and 2838**

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 12, 2013

The Senate Budget and Appropriations committee favorable reports Senate Bill Nos. 2626 and 2838 (SCS), with committee amendments.

As amended, this bill requires certain notifications to discourage fraud in the unemployment insurance (UI) system, the Temporary Disability Insurance (TDI) system and for beneficiary programs in the Department of Human Services.

The State registrar is required to facilitate the electronic notification, upon completion of the death record and issuance of a burial permit, of a decedent's name, Social Security number and last known address to the Department of Labor and Workforce Development and the Department of Human Services. The departments are required to establish a system to cross check the death records with files of individuals who are receiving benefits. The cross checks will be used to confirm that the benefits are not being paid to deceased individuals.

The bill also requires the Department of Corrections, the Administrative Office of the Courts and certain county entities to compile and provide to the Department of Labor and Workforce Development and the Department of Human Services the name and Social Security number of each inmate upon incarceration. The departments are required to arrange for the electronic receipt of information from the Department of Corrections and the Administrative Office of the Courts (AOC), and any county which does not provide county inmate incarceration data to the AOC, and establish a verification system to confirm that benefits are not being paid to incarcerated individuals.

As amended and reported, Senate Bill Nos. 2626 and 2838 (SCS) is identical to Assembly Bill No. 3812 (ACS) as also reported and amended by the committee.

COMMITTEE AMENDMENTS:

The committee amendments provide:

1. That the information required by the bill regarding death and incarceration be provided to the Department of Human Services (DHS) and that the department make arrangements for receiving the information and using it in checking eligibility for department benefits;

2. That the information provided by the Department of Corrections not include information regarding incarceration in county and local institutions; and

3. That the Administrative Office of the Courts (AOC), and counties and localities not reporting to the AOC, provide information regarding incarceration to the DHS and the Department of Labor and Workforce Development.

FISCAL IMPACT:

The OLS estimates that the Senate Committee Substitute for S2626 and S2838, as amended, will reduce expenditures from the unemployment insurance compensation trust fund (UI trust fund), the State Disability Benefits Fund, the New Jersey Medical Assistance and Health Services Program (Medicaid), the Supplemental Nutrition Assistance Program (SNAP), and the Work First New Jersey Program (WFNJ) due to a reduction in payments to ineligible payees.

The Office of the State Comptroller's audit report on Improper Benefit Payments to Incarcerated Individuals, issued on May 29, 2013, identified the following payments from July 1, 2009 to April 30, 2011 to ineligible, incarcerated individuals:

UI trust fund	\$10.6 million
Medicaid Program	\$ 7.1 million
SNAP	\$ 4.3 million
WFNJ	\$ 1.2 million

Additionally, the Office of the State Auditor performed an audit of the UI program and identified overpayments to improper payees, including incarcerated individuals and deceased individuals. The audit compared UI benefits during this time period to Vital Statistics death files from 2006 to May 2011 and identified 50 claimants receiving payments totaling \$237,000 made after the date of death. Notably, "one claimant had an October 2008 date of death and collected more than \$8,000 between February 2010 and May 2011. Six claimants were still collecting payments as of October 1, 2011 even though they had died up to 11 months prior."

The SCS for S2626 and S2838, as amended, will implement the recommendations of the Office of the State Comptroller and the Office of the State Auditor and will establish in statute a requirement to ensure that there are functioning cross check systems in place between

the Department of Corrections, the Department of Human Services, the Department of Labor and Workforce Development, the State Registrar and the Administrative Office of the Courts to reduce the number of ineligible payees that are able to access benefits each year.

LEGISLATIVE FISCAL ESTIMATE
 [First Reprint]
 SENATE COMMITTEE SUBSTITUTE FOR
SENATE, Nos. 2626 and 2838
STATE OF NEW JERSEY
215th LEGISLATURE

DATED: DECEMBER 23, 2013

SUMMARY

- Synopsis:** Requires transfer of certain records to DOLWD and DHS
- Type of Impact:** Expenditure decrease: unemployment insurance compensation trust fund (UI trust fund), the State Disability Benefits Fund (SDBF), the New Jersey Medical Assistance and Health Services Program (Medicaid), the Supplemental Nutrition Assistance Program (SNAP), and the Work First New Jersey Program (WFNJ).
- Agencies Affected:** Department of Corrections, Department of Health, Department of Human Services, Department of Labor and Workforce Development

Fiscal Impact	
UI trust fund SDBF General Fund	Indeterminate decrease in expenditures

- The Office of Legislative Services (OLS) estimates that the First Reprint to the Senate Committee Substitute for Senate Bill Nos. 2626 and 2838 will reduce expenditures from the unemployment insurance compensation trust fund (UI trust fund) and the State Disability Benefits Fund (SDBF) by an indeterminate amount.
- The OLS estimates that State expenditures for the Medicaid, Supplemental Nutrition Assistance Program (SNAP) and Work First New Jersey Program (WFNJ) programs should also be reduced by an indeterminate amount.
- The Office of the State Comptroller’s audit report on Improper Benefit Payments to Incarcerated Individuals, issued on May 29, 2013, identified the following overpayments paid out from July 1, 2009 to April 30, 2011 to ineligible, incarcerated individuals: over \$10.6 million in UI benefits; \$7.1 million in the Medicaid Program; \$4.3 million through the SNAP program; and, \$1.2 million to the WFNJ.

- The Office of the State Auditor's audit of the Unemployment Insurance Services program, issued on October 11, 2012, also identified over \$350,000 in overpayments to 198 claimants who were incarcerated, and thus ineligible, at the time of receipt of benefits for the time period July 1, 2010 to June 30, 2011.
- The Office of the State Auditor's audit of the Unemployment Insurance Services program further identified over \$230,000 in payments from the UI trust fund to individuals who were deceased.
- The Office of the State Comptroller recommended that the Department of Labor and Workforce Development and the Department of Human Services improve their methods of cross-checking the eligibility status of beneficiaries.

BILL DESCRIPTION

The First Reprint to the Senate Committee Substitute for Senate Bill Nos. 2626 and 2838 of 2013 requires certain notifications to discourage fraud in the unemployment insurance (UI) system, the Temporary Disability Insurance (TDI) system and for beneficiary programs in the Department of Human Services.

The State registrar is required to facilitate the electronic notification, upon completion of the death record and issuance of a burial permit, of a decedent's name, Social Security number and last known address to the Department of Labor and Workforce Development and the Department of Human Services. The departments are required to establish a system to cross check the death records with files of individuals who are receiving benefits. The cross checks will be used to confirm that the benefits are not being paid to deceased individuals.

The bill also requires the Department of Corrections, the Administrative Office of the Courts (AOC) and certain counties to compile and provide to the Department of Labor and Workforce Development and the Department of Human Services the name and Social Security number of each inmate upon incarceration. The Department of Labor and Workforce Development and the Department of Human Services are required to arrange for the electronic receipt of information from the Department of Corrections, the AOC, and any county which does not provide county inmate incarceration data to the AOC, and establish a verification system to confirm that benefits are not being paid to incarcerated individuals.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS estimates that the First Reprint to the Senate Committee Substitute for Senate Bill Nos. 2626 and 2838 will reduce expenditures from the UI trust fund and the State Disability Benefits Fund due to a reduction in payments to ineligible payees. Furthermore, the OLS

estimates that State expenditures for the Medicaid, SNAP and WFNJ programs will also be reduced by an indeterminate amount.

The Office of the State Comptroller's audit report on Improper Benefit Payments to Incarcerated Individuals, issued on May 29, 2013, identified the following overpayments paid out from July 1, 2009 to April 30, 2011 to ineligible, incarcerated individuals: over \$10.6 million in UI benefits; \$7.1 million in the Medicaid Program; \$4.3 million through the SNAP program; and, \$1.2 million to the WFNJ. In the report, the Comptroller recommended that the Department of Corrections and the Administrative Office of the Courts act to ensure that county incarceration data as well as State incarceration data are subject to a thorough cross check with unemployment insurance beneficiary data and Department of Human Services beneficiary data.

The Office of the State Auditor performed an audit of the Unemployment Insurance Services program which was released on October 11, 2012 and identified overpayments to improper payees, including incarcerated individuals and deceased individuals. The auditors verified that over \$350,000 had been paid out to 198 claimants who were incarcerated at the time of receipt of benefits for the time period July 1, 2010 to June 30, 2011. Furthermore, the audit compared UI benefits during this time period to Vital Statistics death files from 2006 to May 2011 and identified 50 claimants receiving payments totaling \$237,000 made after the date of death. Notably, "one claimant had an October 2008 date of death and collected more than \$8,000 between February 2010 and May 2011. Six claimants were still collecting payments as of October 1, 2011 even though they had died up to 11 months prior." The audit recommended that the Department of Labor and Workforce Development "obtain Vital Statistics death files, perform periodic cross matches, and test the results for conflicts." Additionally, improper payments to deceased individuals and incarcerated claimants should be investigated and pursued for reimbursement.

The Department of Labor and Workforce Development, in its response to the Office of the State Comptroller and the Office of the State Auditor, stated that it had implemented additional safeguards to prevent the payment of benefits to ineligible payees. These safeguards include a cross check system with the Administrative Office of the Courts to cross-match UI payments with individuals incarcerated in the county jails, beginning on March 23, 2013.

The Department of Human Services, in its response to the Office of the State Comptroller, stated that it was "in the process of solidifying a procedure with the Department of Corrections regarding access to their client records." Additionally, the Department of Human Services was "in the process of working with the Administrative Office of the Courts on a new process regarding access to county jail data as well."

The First Reprint to the Senate Committee Substitute for Senate Bill Nos. 2626 and 2838 will implement the recommendations of both the Office of the State Comptroller and the Office of the State Auditor and will establish in statute a requirement to ensure that there are functioning cross check systems in place to reduce the number of ineligible payees that are able to access benefits each year.

Section: Commerce, Labor and Industry

*Analyst: Robin C. Ford
Senior Fiscal Analyst*

*Approved: David J. Rosen
Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

FE to [1R] SCS for S2626

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This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).