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"Legislative Roundup," Herald News, 5-5-15

LAW/RWH

P.L.2015, CHAPTER 41, *approved May 4, 2015*  
Senate Committee Substitute for  
Senate, No. 2082

1 AN ACT concerning unemployment compensation for certain  
2 individuals and amending R.S.43:21-5.

3  
4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6  
7 1. R.S.43:21-5 is amended to read as follows:  
8 Disqualification for benefits.

9 43:21-5. An individual shall be disqualified for benefits:

10 (a) For the week in which the individual has left work  
11 voluntarily without good cause attributable to such work, and for  
12 each week thereafter until the individual becomes reemployed and  
13 works eight weeks in employment, which may include employment  
14 for the federal government, and has earned in employment at least  
15 ten times the individual's weekly benefit rate, as determined in each  
16 case. This subsection shall apply to any individual seeking  
17 unemployment benefits on the basis of employment in the  
18 production and harvesting of agricultural crops, including any  
19 individual who was employed in the production and harvesting of  
20 agricultural crops on a contract basis and who has refused an offer  
21 of continuing work with that employer following the completion of  
22 the minimum period of work required to fulfill the contract. This  
23 subsection shall not apply to an individual who voluntarily leaves  
24 work with one employer to accept from another employer  
25 employment which commences not more than seven days after the  
26 individual leaves employment with the first employer, if the  
27 employment with the second employer has weekly hours or pay not  
28 less than the hours or pay of the employment of the first employer,  
29 except that if the individual gives notice to the first employer that  
30 the individual will leave employment on a specified date and the  
31 first employer terminates the individual before that date, the seven-  
32 day period will commence from the specified date.

33 (b) For the week in which the individual has been suspended or  
34 discharged for misconduct connected with the work, and for the  
35 seven weeks which immediately follow that week, as determined in  
36 each case.

37 For the week in which the individual has been suspended or  
38 discharged for severe misconduct connected with the work, and for  
39 each week thereafter until the individual becomes reemployed and  
40 works four weeks in employment, which may include employment  
41 for the federal government, and has earned in employment at least

**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 six times the individual's weekly benefit rate, as determined in each  
2 case. Examples of severe misconduct include, but are not  
3 necessarily limited to, the following: repeated violations of an  
4 employer's rule or policy, repeated lateness or absences after a  
5 written warning by an employer, falsification of records, physical  
6 assault or threats that do not constitute gross misconduct as defined  
7 in this section, misuse of benefits, misuse of sick time, abuse of  
8 leave, theft of company property, excessive use of intoxicants or  
9 drugs on work premises, theft of time, or where the behavior is  
10 malicious and deliberate but is not considered gross misconduct as  
11 defined in this section.

12 In the event the discharge should be rescinded by the employer  
13 voluntarily or as a result of mediation or arbitration, this subsection  
14 (b) shall not apply, provided, however, an individual who is  
15 restored to employment with back pay shall return any benefits  
16 received under this chapter for any week of unemployment for  
17 which the individual is subsequently compensated by the employer.

18 If the discharge was for gross misconduct connected with the  
19 work because of the commission of an act punishable as a crime of  
20 the first, second, third or fourth degree under the "New Jersey Code  
21 of Criminal Justice," N.J.S.2C:1-1 et seq., the individual shall be  
22 disqualified in accordance with the disqualification prescribed in  
23 subsection (a) of this section and no benefit rights shall accrue to  
24 any individual based upon wages from that employer for services  
25 rendered prior to the day upon which the individual was discharged.

26 The director shall insure that any appeal of a determination  
27 holding the individual disqualified for gross misconduct in  
28 connection with the work shall be expeditiously processed by the  
29 appeal tribunal.

30 (c) If it is found that the individual has failed, without good  
31 cause, either to apply for available, suitable work when so directed  
32 by the employment office or the director or to accept suitable work  
33 when it is offered, or to return to the individual's customary self-  
34 employment (if any) when so directed by the director. The  
35 disqualification shall continue for the week in which the failure  
36 occurred and for the three weeks which immediately follow that  
37 week, as determined:

38 (1) In determining whether or not any work is suitable for an  
39 individual, consideration shall be given to the degree of risk  
40 involved to health, safety, and morals, the individual's physical  
41 fitness and prior training, experience and prior earnings, the  
42 individual's length of unemployment and prospects for securing  
43 local work in the individual's customary occupation, and the  
44 distance of the available work from the individual's residence. In  
45 the case of work in the production and harvesting of agricultural  
46 crops, the work shall be deemed to be suitable without regard to the  
47 distance of the available work from the individual's residence if all

1 costs of transportation are provided to the individual and the terms  
2 and conditions of hire are as favorable or more favorable to the  
3 individual as the terms and conditions of the individual's base year  
4 employment.

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

16 (d) If it is found that this unemployment is due to a stoppage of  
17 work which exists because of a labor dispute at the factory,  
18 establishment or other premises at which the individual is or was  
19 last employed.

20 (1) No disqualification under this subsection (d) shall apply if it  
21 is shown that:

22 (a) The individual is not participating in or financing or directly  
23 interested in the labor dispute which caused the stoppage of work;  
24 and

25 (b) The individual does not belong to a grade or class of workers  
26 of which, immediately before the commencement of the stoppage,  
27 there were members employed at the premises at which the  
28 stoppage occurs, any of whom are participating in or financing or  
29 directly interested in the dispute; provided that if in any case in  
30 which (a) or (b) above applies, separate branches of work which are  
31 commonly conducted as separate businesses in separate premises  
32 are conducted in separate departments of the same premises, each  
33 department shall, for the purpose of this subsection, be deemed to  
34 be a separate factory, establishment, or other premises.

35 (2) For any claim for a period of unemployment commencing on  
36 or after December 1, 2004, no disqualification under this subsection  
37 (d) shall apply if it is shown that the individual has been prevented  
38 from working by the employer, even though the individual's  
39 recognized or certified majority representative has directed the  
40 employees in the individual's collective bargaining unit to work  
41 under the preexisting terms and conditions of employment, and the  
42 employees had not engaged in a strike immediately before being  
43 prevented from working.

44 (e) For any week with respect to which the individual is  
45 receiving or has received remuneration in lieu of notice.

46 (f) For any week with respect to which or a part of which the  
47 individual has received or is seeking unemployment benefits under

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

6 (g) (1) For a period of one year from the date of the discovery  
7 by the division of the illegal receipt or attempted receipt of benefits  
8 contrary to the provisions of this chapter, as the result of any false  
9 or fraudulent representation; provided that any disqualification may  
10 be appealed in the same manner as any other disqualification  
11 imposed hereunder; and provided further that a conviction in the  
12 courts of this State arising out of the illegal receipt or attempted  
13 receipt of these benefits in any proceeding instituted against the  
14 individual under the provisions of this chapter or any other law of  
15 this State shall be conclusive upon the appeals tribunal and the  
16 board of review.

17 (2) A disqualification under this subsection shall not preclude  
18 the prosecution of any civil, criminal or administrative action or  
19 proceeding to enforce other provisions of this chapter for the  
20 assessment and collection of penalties or the refund of any amounts  
21 collected as benefits under the provisions of R.S.43:21-16, or to  
22 enforce any other law, where an individual obtains or attempts to  
23 obtain by theft or robbery or false statements or representations any  
24 money from any fund created or established under this chapter or  
25 any negotiable or nonnegotiable instrument for the payment of  
26 money from these funds, or to recover money erroneously or  
27 illegally obtained by an individual from any fund created or  
28 established under this chapter.

29 (h) (1) Notwithstanding any other provisions of this chapter  
30 (R.S.43:21-1 et seq.), no otherwise eligible individual shall be  
31 denied benefits for any week because the individual is in training  
32 approved under section 236(a)(1) of the "Trade Act of 1974,"  
33 Pub.L.93-618 (19 U.S.C. s.2296 (a)(1)) nor shall the individual be  
34 denied benefits by reason of leaving work to enter this training,  
35 provided the work left is not suitable employment, or because of the  
36 application to any week in training of provisions in this chapter  
37 (R.S.43:21-1 et seq.), or any applicable federal unemployment  
38 compensation law, relating to availability for work, active search  
39 for work, or refusal to accept work.

40 (2) For purposes of this subsection (h), the term "suitable"  
41 employment means, with respect to an individual, work of a  
42 substantially equal or higher skill level than the individual's past  
43 adversely affected employment, as defined for purposes of the  
44 "Trade Act of 1974," Pub.L.93-618 (19 U.S.C. s.2101 et seq.) and  
45 wages for this work at not less than 80% of the individual's average  
46 weekly wage, as determined for the purposes of the "Trade Act of  
47 1974."

1 (i) For benefit years commencing after June 30, 1984, for any  
2 week in which the individual is a student in full attendance at, or on  
3 vacation from, an educational institution, as defined in subsection  
4 (y) of R.S.43:21-19; except that this subsection shall not apply to  
5 any individual attending a training program approved by the  
6 division to enhance the individual's employment opportunities, as  
7 defined under subsection (c) of R.S.43:21-4; nor shall this  
8 subsection apply to any individual who, during the individual's base  
9 year, earned sufficient wages, as defined under subsection (e) of  
10 R.S.43:21-4, while attending an educational institution during  
11 periods other than established and customary vacation periods or  
12 holiday recesses at the educational institution, to establish a claim  
13 for benefits. For purposes of this subsection, an individual shall be  
14 treated as a full-time student for any period:

15 (1) During which the individual is enrolled as a full-time student  
16 at an educational institution, or

17 (2) Which is between academic years or terms, if the individual  
18 was enrolled as a full-time student at an educational institution for  
19 the immediately preceding academic year or term.

20 (j) Notwithstanding any other provisions of this chapter  
21 (R.S.43:21-1 et seq.), no otherwise eligible individual shall be  
22 denied benefits because the individual left work or was discharged  
23 due to circumstances resulting from the individual being a victim of  
24 domestic violence as defined in section 3 of P.L.1991, c.261  
25 (C.2C:25-19). No employer's account shall be charged for the  
26 payment of benefits to an individual who left work due to  
27 circumstances resulting from the individual being a victim of  
28 domestic violence.

29 For the purposes of this subsection (j), the individual shall be  
30 treated as being a victim of domestic violence if the individual  
31 provides one or more of the following:

32 (1) A restraining order or other documentation of equitable  
33 relief issued by a court of competent jurisdiction;

34 (2) A police record documenting the domestic violence;

35 (3) Documentation that the perpetrator of the domestic violence  
36 has been convicted of one or more of the offenses enumerated in  
37 section 3 of P.L.1991, c.261 (C.2C:25-19);

38 (4) Medical documentation of the domestic violence;

39 (5) Certification from a certified Domestic Violence Specialist  
40 or the director of a designated domestic violence agency that the  
41 individual is a victim of domestic violence; or

42 (6) Other documentation or certification of the domestic  
43 violence provided by a social worker, member of the clergy, shelter  
44 worker or other professional who has assisted the individual in  
45 dealing with the domestic violence.

46 For the purposes of this subsection (j):

1 "Certified Domestic Violence Specialist" means a person who  
2 has fulfilled the requirements of certification as a Domestic  
3 Violence Specialist established by the New Jersey Association of  
4 Domestic Violence Professionals; and "designated domestic  
5 violence agency" means a county-wide organization with a primary  
6 purpose to provide services to victims of domestic violence, and  
7 which provides services that conform to the core domestic violence  
8 services profile as defined by the Division of Youth and Family  
9 Services in the Department of Children and Families and is under  
10 contract with the division for the express purpose of providing such  
11 services.

12 (k) Notwithstanding any other provisions of this chapter (R.S.  
13 43:21-1 et seq.), no otherwise eligible individual shall be denied  
14 benefits for any week in which the individual left work voluntarily  
15 and without good cause attributable to the work, if the individual  
16 left work to accompany his or her spouse who is an active member  
17 of the United States Armed Forces, as defined in N.J.S.38A:1-1(g),  
18 to a new place of residence outside the State, due to the armed  
19 forces member's transfer to a new assignment in a different  
20 geographical location outside the State, and the individual moves to  
21 the new place of residence not more than nine months after the  
22 spouse is transferred, and upon arrival at the new place of residence  
23 the individual was in all respects available for suitable work. No  
24 employer's account shall be charged for the payment of benefits to  
25 an individual who left work under the circumstances contained in  
26 this subsection (k), except that this shall not be construed as  
27 relieving the State of New Jersey and any other governmental entity  
28 or instrumentality or nonprofit organization electing or required to  
29 make payments in lieu of contributions from its responsibility to  
30 make all benefit payments otherwise required by law and from  
31 being charged for those benefits as otherwise required by law.

32 (cf: P.L.2010, c.37, s.2)

33

34 2. This act shall take effect immediately.

35

36

37

38

39 Concerns UI benefits for claimants who leave work to accept  
40 other work and are laid off from subsequent work.



**SENATE, No. 2082**

**STATE OF NEW JERSEY**  
**216th LEGISLATURE**

INTRODUCED MAY 19, 2014

**Sponsored by:**

**Senator FRED H. MADDEN, JR.**

**District 4 (Camden and Gloucester)**

**SYNOPSIS**

Concerns UI benefits for claimants who leave work to accept other work and are laid off from the subsequent work.

**CURRENT VERSION OF TEXT**

As introduced.



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2

1 AN ACT concerning unemployment compensation for certain  
2 individuals and amending R.S.43:21-5 and R.S.43:21-7.

3

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

6

7 1. R.S.43:21-5 is amended to read as follows:

8 Disqualification for benefits.

9 43:21-5. An individual shall be disqualified for benefits:

10 (a) For the week in which the individual has left work  
11 voluntarily without good cause attributable to such work, and for  
12 each week thereafter until the individual becomes reemployed and  
13 works eight weeks in employment, which may include employment  
14 for the federal government, and has earned in employment at least  
15 ten times the individual's weekly benefit rate, as determined in each  
16 case. This subsection shall apply to any individual seeking  
17 unemployment benefits on the basis of employment in the  
18 production and harvesting of agricultural crops, including any  
19 individual who was employed in the production and harvesting of  
20 agricultural crops on a contract basis and who has refused an offer  
21 of continuing work with that employer following the completion of  
22 the minimum period of work required to fulfill the contract. This  
23 subsection shall not apply to an individual who voluntarily leaves  
24 work with one employer to accept from another employer  
25 employment which commences not more than seven days after the  
26 individual leaves employment with the first employer, if the  
27 employment with the second employer has weekly hours or pay not  
28 less than the hours or pay of the employment of the first employer.

29 (b) For the week in which the individual has been suspended or  
30 discharged for misconduct connected with the work, and for the  
31 seven weeks which immediately follow that week, as determined in  
32 each case.

33 For the week in which the individual has been suspended or  
34 discharged for severe misconduct connected with the work, and for  
35 each week thereafter until the individual becomes reemployed and  
36 works four weeks in employment, which may include employment  
37 for the federal government, and has earned in employment at least  
38 six times the individual's weekly benefit rate, as determined in each  
39 case. Examples of severe misconduct include, but are not  
40 necessarily limited to, the following: repeated violations of an  
41 employer's rule or policy, repeated lateness or absences after a  
42 written warning by an employer, falsification of records, physical  
43 assault or threats that do not constitute gross misconduct as defined  
44 in this section, misuse of benefits, misuse of sick time, abuse of  
45 leave, theft of company property, excessive use of intoxicants or

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

Matter underlined thus is new matter.

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1 drugs on work premises, theft of time, or where the behavior is  
2 malicious and deliberate but is not considered gross misconduct as  
3 defined in this section.

4 In the event the discharge should be rescinded by the employer  
5 voluntarily or as a result of mediation or arbitration, this subsection  
6 (b) shall not apply, provided, however, an individual who is  
7 restored to employment with back pay shall return any benefits  
8 received under this chapter for any week of unemployment for  
9 which the individual is subsequently compensated by the employer.

10 If the discharge was for gross misconduct connected with the  
11 work because of the commission of an act punishable as a crime of  
12 the first, second, third or fourth degree under the "New Jersey Code  
13 of Criminal Justice," N.J.S.2C:1-1 et seq., the individual shall be  
14 disqualified in accordance with the disqualification prescribed in  
15 subsection (a) of this section and no benefit rights shall accrue to  
16 any individual based upon wages from that employer for services  
17 rendered prior to the day upon which the individual was discharged.

18 The director shall insure that any appeal of a determination  
19 holding the individual disqualified for gross misconduct in  
20 connection with the work shall be expeditiously processed by the  
21 appeal tribunal.

22 (c) If it is found that the individual has failed, without good  
23 cause, either to apply for available, suitable work when so directed  
24 by the employment office or the director or to accept suitable work  
25 when it is offered, or to return to the individual's customary self-  
26 employment (if any) when so directed by the director. The  
27 disqualification shall continue for the week in which the failure  
28 occurred and for the three weeks which immediately follow that  
29 week, as determined:

30 (1) In determining whether or not any work is suitable for an  
31 individual, consideration shall be given to the degree of risk  
32 involved to health, safety, and morals, the individual's physical  
33 fitness and prior training, experience and prior earnings, the  
34 individual's length of unemployment and prospects for securing  
35 local work in the individual's customary occupation, and the  
36 distance of the available work from the individual's residence. In  
37 the case of work in the production and harvesting of agricultural  
38 crops, the work shall be deemed to be suitable without regard to the  
39 distance of the available work from the individual's residence if all  
40 costs of transportation are provided to the individual and the terms  
41 and conditions of hire are as favorable or more favorable to the  
42 individual as the terms and conditions of the individual's base year  
43 employment.

44 (2) Notwithstanding any other provisions of this chapter, no  
45 work shall be deemed suitable and benefits shall not be denied  
46 under this chapter to any otherwise eligible individual for refusing  
47 to accept new work under any of the following conditions: the  
48 position offered is vacant due directly to a strike, lockout, or other

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1 labor dispute; the remuneration, hours, or other conditions of the  
2 work offered are substantially less favorable to the individual than  
3 those prevailing for similar work in the locality; or, the individual,  
4 as a condition of being employed, would be required to join a  
5 company union or to resign from or refrain from joining any bona  
6 fide labor organization.

7 (d) If it is found that this unemployment is due to a stoppage of  
8 work which exists because of a labor dispute at the factory,  
9 establishment or other premises at which the individual is or was  
10 last employed.

11 (1) No disqualification under this subsection (d) shall apply if it  
12 is shown that:

13 (a) The individual is not participating in or financing or directly  
14 interested in the labor dispute which caused the stoppage of work;  
15 and

16 (b) The individual does not belong to a grade or class of workers  
17 of which, immediately before the commencement of the stoppage,  
18 there were members employed at the premises at which the  
19 stoppage occurs, any of whom are participating in or financing or  
20 directly interested in the dispute; provided that if in any case in  
21 which (a) or (b) above applies, separate branches of work which are  
22 commonly conducted as separate businesses in separate premises  
23 are conducted in separate departments of the same premises, each  
24 department shall, for the purpose of this subsection, be deemed to  
25 be a separate factory, establishment, or other premises.

26 (2) For any claim for a period of unemployment commencing on  
27 or after December 1, 2004, no disqualification under this subsection  
28 (d) shall apply if it is shown that the individual has been prevented  
29 from working by the employer, even though the individual's  
30 recognized or certified majority representative has directed the  
31 employees in the individual's collective bargaining unit to work  
32 under the preexisting terms and conditions of employment, and the  
33 employees had not engaged in a strike immediately before being  
34 prevented from working.

35 (e) For any week with respect to which the individual is  
36 receiving or has received remuneration in lieu of notice.

37 (f) For any week with respect to which or a part of which the  
38 individual has received or is seeking unemployment benefits under  
39 an unemployment compensation law of any other state or of the  
40 United States; provided that if the appropriate agency of the other  
41 state or of the United States finally determines that the individual is  
42 not entitled to unemployment benefits, this disqualification shall not  
43 apply.

44 (g) (1) For a period of one year from the date of the discovery  
45 by the division of the illegal receipt or attempted receipt of benefits  
46 contrary to the provisions of this chapter, as the result of any false  
47 or fraudulent representation; provided that any disqualification may  
48 be appealed in the same manner as any other disqualification

1 imposed hereunder; and provided further that a conviction in the  
2 courts of this State arising out of the illegal receipt or attempted  
3 receipt of these benefits in any proceeding instituted against the  
4 individual under the provisions of this chapter or any other law of  
5 this State shall be conclusive upon the appeals tribunal and the  
6 board of review.

7 (2) A disqualification under this subsection shall not preclude  
8 the prosecution of any civil, criminal or administrative action or  
9 proceeding to enforce other provisions of this chapter for the  
10 assessment and collection of penalties or the refund of any amounts  
11 collected as benefits under the provisions of R.S.43:21-16, or to  
12 enforce any other law, where an individual obtains or attempts to  
13 obtain by theft or robbery or false statements or representations any  
14 money from any fund created or established under this chapter or  
15 any negotiable or nonnegotiable instrument for the payment of  
16 money from these funds, or to recover money erroneously or  
17 illegally obtained by an individual from any fund created or  
18 established under this chapter.

19 (h) (1) Notwithstanding any other provisions of this chapter  
20 (R.S.43:21-1 et seq.), no otherwise eligible individual shall be  
21 denied benefits for any week because the individual is in training  
22 approved under section 236(a)(1) of the "Trade Act of 1974,"  
23 Pub.L.93-618 (19 U.S.C. s.2296 (a)(1)) nor shall the individual be  
24 denied benefits by reason of leaving work to enter this training,  
25 provided the work left is not suitable employment, or because of the  
26 application to any week in training of provisions in this chapter  
27 (R.S.43:21-1 et seq.), or any applicable federal unemployment  
28 compensation law, relating to availability for work, active search  
29 for work, or refusal to accept work.

30 (2) For purposes of this subsection (h), the term "suitable"  
31 employment means, with respect to an individual, work of a  
32 substantially equal or higher skill level than the individual's past  
33 adversely affected employment, as defined for purposes of the  
34 "Trade Act of 1974," Pub.L.93-618 (19 U.S.C. s.2101 et seq.) and  
35 wages for this work at not less than 80% of the individual's average  
36 weekly wage, as determined for the purposes of the "Trade Act of  
37 1974."

38 (i) For benefit years commencing after June 30, 1984, for any  
39 week in which the individual is a student in full attendance at, or on  
40 vacation from, an educational institution, as defined in subsection  
41 (y) of R.S.43:21-19; except that this subsection shall not apply to  
42 any individual attending a training program approved by the  
43 division to enhance the individual's employment opportunities, as  
44 defined under subsection (c) of R.S.43:21-4; nor shall this  
45 subsection apply to any individual who, during the individual's base  
46 year, earned sufficient wages, as defined under subsection (e) of  
47 R.S.43:21-4, while attending an educational institution during  
48 periods other than established and customary vacation periods or

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1 holiday recesses at the educational institution, to establish a claim  
2 for benefits. For purposes of this subsection, an individual shall be  
3 treated as a full-time student for any period:

4 (1) During which the individual is enrolled as a full-time student  
5 at an educational institution, or

6 (2) Which is between academic years or terms, if the individual  
7 was enrolled as a full-time student at an educational institution for  
8 the immediately preceding academic year or term.

9 (j) Notwithstanding any other provisions of this chapter  
10 (R.S.43:21-1 et seq.), no otherwise eligible individual shall be  
11 denied benefits because the individual left work or was discharged  
12 due to circumstances resulting from the individual being a victim of  
13 domestic violence as defined in section 3 of P.L.1991, c.261  
14 (C.2C:25-19). No employer's account shall be charged for the  
15 payment of benefits to an individual who left work due to  
16 circumstances resulting from the individual being a victim of  
17 domestic violence.

18 For the purposes of this subsection (j), the individual shall be  
19 treated as being a victim of domestic violence if the individual  
20 provides one or more of the following:

21 (1) A restraining order or other documentation of equitable  
22 relief issued by a court of competent jurisdiction;

23 (2) A police record documenting the domestic violence;

24 (3) Documentation that the perpetrator of the domestic violence  
25 has been convicted of one or more of the offenses enumerated in  
26 section 3 of P.L.1991, c.261 (C.2C:25-19);

27 (4) Medical documentation of the domestic violence;

28 (5) Certification from a certified Domestic Violence Specialist  
29 or the director of a designated domestic violence agency that the  
30 individual is a victim of domestic violence; or

31 (6) Other documentation or certification of the domestic  
32 violence provided by a social worker, member of the clergy, shelter  
33 worker or other professional who has assisted the individual in  
34 dealing with the domestic violence.

35 For the purposes of this subsection (j):

36 "Certified Domestic Violence Specialist" means a person who  
37 has fulfilled the requirements of certification as a Domestic  
38 Violence Specialist established by the New Jersey Association of  
39 Domestic Violence Professionals; and "designated domestic  
40 violence agency" means a county-wide organization with a primary  
41 purpose to provide services to victims of domestic violence, and  
42 which provides services that conform to the core domestic violence  
43 services profile as defined by the Division of Youth and Family  
44 Services in the Department of Children and Families and is under  
45 contract with the division for the express purpose of providing such  
46 services.

47 (k) Notwithstanding any other provisions of this chapter (R.S.  
48 43:21-1 et seq.), no otherwise eligible individual shall be denied

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1 benefits for any week in which the individual left work voluntarily  
2 and without good cause attributable to the work, if the individual  
3 left work to accompany his or her spouse who is an active member  
4 of the United States Armed Forces, as defined in N.J.S.38A:1-1(g),  
5 to a new place of residence outside the State, due to the armed  
6 forces member's transfer to a new assignment in a different  
7 geographical location outside the State, and the individual moves to  
8 the new place of residence not more than nine months after the  
9 spouse is transferred, and upon arrival at the new place of residence  
10 the individual was in all respects available for suitable work. No  
11 employer's account shall be charged for the payment of benefits to  
12 an individual who left work under the circumstances contained in  
13 this subsection (k), except that this shall not be construed as  
14 relieving the State of New Jersey and any other governmental entity  
15 or instrumentality or nonprofit organization electing or required to  
16 make payments in lieu of contributions from its responsibility to  
17 make all benefit payments otherwise required by law and from  
18 being charged for those benefits as otherwise required by law.

19 (cf: P.L.2010, c.37, s.2)

20

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

22 Contributions.

23 43:21-7. **【Contributions.】** Employers other than governmental  
24 entities, whose benefit financing provisions are set forth in section 4  
25 of P.L.1971, c.346 (C.43:21-7.3), and those nonprofit organizations  
26 liable for payment in lieu of contributions on the basis set forth in  
27 section 3 of P.L.1971, c.346 (C.43:21-7.2), shall pay to the  
28 controller for the unemployment compensation fund, contributions  
29 as set forth in subsections (a), (b) and (c) hereof, and the provisions  
30 of subsections (d) and (e) shall be applicable to all employers,  
31 consistent with the provisions of the "unemployment compensation  
32 law" and the "Temporary Disability Benefits Law,"  
33 P.L.1948, c.110 (C.43:21-25 et al.).

34 (a) Payment.

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

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

47 (b) Rate of contributions. Each employer shall pay the following  
48 contributions:

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

5 (2) The "wages" of any individual, with respect to any one  
6 employer, as the term is used in this subsection (b) and in  
7 subsections (c), (d) and (e) of this section 7, shall include the first  
8 \$4,800.00 paid during calendar year 1975, for services performed  
9 either within or without this State; provided that no contribution  
10 shall be required by this State with respect to services performed in  
11 another state if such other state imposes contribution liability with  
12 respect thereto. If an employer (hereinafter referred to as a  
13 successor employer) during any calendar year acquires substantially  
14 all the property used in a trade or business of another employer  
15 (hereinafter referred to as a predecessor), or used in a separate unit  
16 of a trade or business of a predecessor, and immediately after the  
17 acquisition employs in his trade or business an individual who  
18 immediately prior to the acquisition was employed in the trade or  
19 business of such predecessors, then, for the purpose of determining  
20 whether the successor employer has paid wages with respect to  
21 employment equal to the first \$4,800.00 paid during calendar year  
22 1975, any wages paid to such individual by such predecessor during  
23 such calendar year and prior to such acquisition shall be considered  
24 as having been paid by such successor employer.

25 (3) For calendar years beginning on and after January 1, 1976,  
26 the "wages" of any individual, as defined in the preceding  
27 paragraph (2) of this subsection (b), shall be established and  
28 promulgated by the Commissioner of Labor and Workforce  
29 Development on or before September 1 of the preceding year and  
30 shall be, 28 times the Statewide average weekly remuneration paid  
31 to workers by employers, as determined under R.S.43:21-3(c),  
32 raised to the next higher multiple of \$100.00 if not already a  
33 multiple thereof, provided that if the amount of wages so  
34 determined for a calendar year is less than the amount similarly  
35 determined for the preceding year, the greater amount will be used;  
36 provided, further, that if the amount of such wages so determined  
37 does not equal or exceed the amount of wages as defined in  
38 subsection (b) of section 3306 of the Internal Revenue Code of  
39 1986 (26 U.S.C. s.3306(b)), the wages as determined in this  
40 paragraph in any calendar year shall be raised to equal the amount  
41 established under the "Federal Unemployment Tax Act," chapter 23  
42 of the Internal Revenue Code of 1986 (26 U.S.C. s.3301 et seq.), for  
43 that calendar year.

44 (c) Future rates based on benefit experience.

45 (1) A separate account for each employer shall be maintained  
46 and this shall be credited with all the contributions which he has  
47 paid on his own behalf on or before January 31 of any calendar year  
48 with respect to employment occurring in the preceding calendar



1 year; provided, however, that if January 31 of any calendar year  
2 falls on a Saturday or Sunday, an employer's account shall be  
3 credited as of January 31 of such calendar year with all the  
4 contributions which he has paid on or before the next succeeding  
5 day which is not a Saturday or Sunday. But nothing in this chapter  
6 (R.S.43:21-1 et seq.) shall be construed to grant any employer or  
7 individuals in his service prior claims or rights to the amounts paid  
8 by him into the fund either on his own behalf or on behalf of such  
9 individuals. Benefits paid with respect to benefit years commencing  
10 on and after January 1, 1953, to any individual on or before  
11 December 31 of any calendar year with respect to unemployment in  
12 such calendar year and in preceding calendar years shall be charged  
13 against the account or accounts of the employer or employers in  
14 whose employment such individual established base weeks  
15 constituting the basis of such benefits, except that, with respect to  
16 benefit years commencing after January 4, 1998, an employer's  
17 account shall not be charged for benefits paid to a claimant if the  
18 claimant's employment by that employer was ended in any way  
19 which, pursuant to subsection (a), (b), (c), (f), (g) or (h) of  
20 R.S.43:21-5, would have disqualified the claimant for benefits if the  
21 claimant had applied for benefits at the time when that employment  
22 ended. An employer's account shall not be charged for benefits  
23 paid to a claimant who voluntarily leaves work with that employer,  
24 even if: the employer paid wages to the claimant during the  
25 claimant's base year; the claimant leaves work with that employer  
26 to accept employment from another employer; and the claimant is  
27 paid benefits after being laid off by the subsequent employer.  
28 Benefits paid under a given benefit determination shall be charged  
29 against the account of the employer to whom such determination  
30 relates. When each benefit payment is made, notification shall be  
31 promptly provided to each employer included in the unemployment  
32 insurance monetary calculation of benefits. Such notification shall  
33 identify the employer against whose account the amount of such  
34 payment is being charged, shall show at least the name and social  
35 security account number of the claimant and shall specify the period  
36 of unemployment to which said benefit payment applies.

37 An annual summary statement of unemployment benefits  
38 charged to the employer's account shall be provided.

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

46 (3) No employer's rate shall be lower than 5.4% unless  
47 assignment of such lower rate is consistent with the conditions  
48 applicable to additional credit allowance for such year under section

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1 3303(a)(1) of the Internal Revenue Code of 1986 (26 U.S.C.  
2 s.3303(a)(1)), any other provision of this section to the contrary  
3 notwithstanding.

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

17 (1) 2 5/10%, if such excess equals or exceeds 4%, but less than  
18 5%, of his average annual payroll (as defined in paragraph (2),  
19 subsection (a) of R.S.43:21-19);

20 (2) 2 2/10%, if such excess equals or exceeds 5%, but is less  
21 than 6%, of his average annual payroll;

22 (3) 1 9/10%, if such excess equals or exceeds 6%, but is less  
23 than 7%, of his average annual payroll;

24 (4) 1 6/10%, if such excess equals or exceeds 7%, but is less  
25 than 8%, of his average annual payroll;

26 (5) 1 3/10%, if such excess equals or exceeds 8%, but is less  
27 than 9%, of his average annual payroll;

28 (6) 1%, if such excess equals or exceeds 9%, but is less than  
29 10%, of his average annual payroll;

30 (7) 7/10 of 1%, if such excess equals or exceeds 10%, but is less  
31 than 11%, of his average annual payroll;

32 (8) 4/10 of 1%, if such excess equals or exceeds 11% of his  
33 average annual payroll.

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

38 (1) 4%, if such excess is less than 10% of his average annual  
39 payroll;

40 (2) 4 3/10%, if such excess equals or exceeds 10%, but is less  
41 than 20%, of his average annual payroll;

42 (3) 4 6/10%, if such excess equals or exceeds 20% of his  
43 average annual payroll.

44 (C) Specially assigned rates.

45 (i) If no contributions were paid on wages for employment in  
46 any calendar year used in determining the average annual payroll of  
47 an employer eligible for an assigned rate under this paragraph (4),  
48 the employer's rate shall be specially assigned as follows:

1 if the reserve balance in its account is positive, its assigned rate  
2 shall be the highest rate in effect for positive balance accounts for  
3 that period, or 5.4%, whichever is higher, and

4 if the reserve balance in its account is negative, its assigned rate  
5 shall be the highest rate in effect for deficit accounts for that period.

6 (ii) If, following the purchase of a corporation with little or no  
7 activity, known as a corporate shell, the resulting employing unit  
8 operates a new or different business activity, the employing unit  
9 shall be assigned a new employer rate.

10 (iii) Entities operating under common ownership, management or  
11 control, when the operation of the entities is not identifiable,  
12 distinguishable and severable, shall be considered a single employer  
13 for the purposes of this chapter (R.S.43:21-1 et seq.).

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

18 (5) (A) Unemployment Trust Fund Reserve Ratio. If on March  
19 31 of any calendar year the balance in the unemployment trust fund  
20 equals or exceeds 4% but is less than 7% of the total taxable wages  
21 reported to the controller as of that date in respect to employment  
22 during the preceding calendar year, the contribution rate, effective  
23 July 1 following, of each employer eligible for a contribution rate  
24 calculation based upon benefit experience, shall be increased by  
25 3/10 of 1% over the contribution rate otherwise established under  
26 the provisions of paragraph (3) or (4) of this subsection. If on  
27 March 31 of any calendar year the balance of the unemployment  
28 trust fund exceeds 2 1/2% but is less than 4% of the total taxable  
29 wages reported to the controller as of that date in respect to  
30 employment during the preceding calendar year, the contribution  
31 rate, effective July 1 following, of each employer eligible for a  
32 contribution rate calculation based upon benefit experience, shall be  
33 increased by 6/10 of 1% over the contribution rate otherwise  
34 established under the provisions of paragraph (3) or (4) of this  
35 subsection.

36 If on March 31 of any calendar year the balance of the  
37 unemployment trust fund is less than 2 1/2% of the total taxable  
38 wages reported to the controller as of that date in respect to  
39 employment during the preceding calendar year, the contribution  
40 rate, effective July 1 following, of each employer: (1) eligible for a  
41 contribution rate calculation based upon benefit experience, shall be  
42 increased by (i) 6/10 of 1% over the contribution rate otherwise  
43 established under the provisions of paragraph (3), (4)(A) or (4)(B)  
44 of this subsection, and (ii) an additional amount equal to 20% of the  
45 total rate established herein, provided, however, that the final  
46 contribution rate for each employer shall be computed to the nearest  
47 multiple of 1/10% if not already a multiple thereof; (2) not eligible  
48 for a contribution rate calculation based upon benefit experience,

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1 shall be increased by  $\frac{6}{10}$  of 1% over the contribution rate  
2 otherwise established under the provisions of paragraph (4) of this  
3 subsection. For the period commencing July 1, 1984 and ending  
4 June 30, 1986, the contribution rate for each employer liable to pay  
5 contributions under R.S.43:21-7 shall be increased by a factor of  
6 10% computed to the nearest multiple of  $\frac{1}{10}$ % if not already a  
7 multiple thereof.

8 (B) If on March 31 of any calendar year the balance in the  
9 unemployment trust fund equals or exceeds 10% but is less than  
10  $\frac{1}{2}$ % of the total taxable wages reported to the controller as of that  
11 date in respect to employment during the preceding calendar year,  
12 the contribution rate, effective July 1 following, of each employer  
13 eligible for a contribution rate calculation based upon benefit  
14 experience, shall be reduced by  $\frac{3}{10}$  of 1% under the contribution  
15 rate otherwise established under the provisions of paragraphs (3)  
16 and (4) of this subsection; provided that in no event shall the  
17 contribution rate of any employer be reduced to less than  $\frac{4}{10}$  of  
18 1%. If on March 31 of any calendar year the balance in the  
19 unemployment trust fund equals or exceeds  $\frac{1}{2}$ % of the total  
20 taxable wages reported to the controller as of that date in respect to  
21 employment during the preceding calendar year, the contribution  
22 rate, effective July 1 following, of each employer eligible for a  
23 contribution rate calculation based upon benefit experience, shall be  
24 reduced by  $\frac{6}{10}$  of 1% if his account for all past periods reflects an  
25 excess of contributions paid over total benefits charged of 3% or  
26 more of his average annual payroll, otherwise by  $\frac{3}{10}$  of 1% under  
27 the contribution rate otherwise established under the provisions of  
28 paragraphs (3) and (4) of this subsection; provided that in no event  
29 shall the contribution rate of any employer be reduced to less than  
30  $\frac{4}{10}$  of 1%.

31 (C) The "balance" in the unemployment trust fund, as the term is  
32 used in subparagraphs (A) and (B) above, shall not include moneys  
33 credited to the State's account under section 903 of the Social  
34 Security Act, as amended (42 U.S.C. s.1103), during any period in  
35 which such moneys are appropriated for the payment of expenses  
36 incurred in the administration of the "unemployment compensation  
37 law."

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

44 (E) (i) (Deleted by amendment, P.L.1997, c.263).

45 (ii) (Deleted by amendment, P.L.2001, c.152).

46 (iii) (Deleted by amendment, P.L.2003, c.107).

47 (iv) (Deleted by amendment, P.L.2004, c.45).

48 (v) (Deleted by amendment, P.L.2008, c.17).

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1 (vi) (Deleted by amendment, P.L.2013, c.75).  
 2 (vii) With respect to experience rating years beginning on or  
 3 after July 1, 2011, the new employer rate or the unemployment  
 4 experience rate of an employer under this section shall be the rate  
 5 which appears in the column headed by the Unemployment Trust  
 6 Fund Reserve Ratio as of the applicable calculation date and on the  
 7 line with the Employer Reserve Ratio, as defined in paragraph (4)  
 8 of this subsection (R.S.43:21-7 (c)(4)), as set forth in the following  
 9 table:

10

11

**EXPERIENCE RATING TAX TABLE**

12

Fund Reserve Ratio<sup>1</sup>

13

3.50% 3.00% 2.5% 2.0% 1.99%

14

Employer and to to to and

15

Reserve Over 3.49% 2.99% 2.49% Under

16

Ratio<sup>2</sup> A B C D E

17

Positive Reserve Ratio:

18

17% and over 0.3 0.4 0.5 0.6 1.2

19

16.00% to 16.99% 0.4 0.5 0.6 0.6 1.2

20

15.00% to 15.99% 0.4 0.6 0.7 0.7 1.2

21

14.00% to 14.99% 0.5 0.6 0.7 0.8 1.2

22

13.00% to 13.99% 0.6 0.7 0.8 0.9 1.2

23

12.00% to 12.99% 0.6 0.8 0.9 1.0 1.2

24

11.00% to 11.99% 0.7 0.8 1.0 1.1 1.2

25

10.00% to 10.99% 0.9 1.1 1.3 1.5 1.6

26

9.00% to 9.99% 1.0 1.3 1.6 1.7 1.9

27

8.00% to 8.99% 1.3 1.6 1.9 2.1 2.3

28

7.00% to 7.99% 1.4 1.8 2.2 2.4 2.6

29

6.00% to 6.99% 1.7 2.1 2.5 2.8 3.0

30

5.00% to 5.99% 1.9 2.4 2.8 3.1 3.4

31

4.00% to 4.99% 2.0 2.6 3.1 3.4 3.7

32

3.00% to 3.99% 2.1 2.7 3.2 3.6 3.9

33

2.00% to 2.99% 2.2 2.8 3.3 3.7 4.0

34

1.00% to 1.99% 2.3 2.9 3.4 3.8 4.1

35

0.00% to 0.99% 2.4 3.0 3.6 4.0 4.3

36

Deficit Reserve Ratio:

37

-0.00% to -2.99% 3.4 4.3 5.1 5.6 6.1

38

-3.00% to -5.99% 3.4 4.3 5.1 5.7 6.2

39

-6.00% to -8.99% 3.5 4.4 5.2 5.8 6.3

40

-9.00% to -11.99% 3.5 4.5 5.3 5.9 6.4

41

-12.00% to -14.99% 3.6 4.6 5.4 6.0 6.5

42

-15.00% to -19.99% 3.6 4.6 5.5 6.1 6.6

43

-20.00% to -24.99% 3.7 4.7 5.6 6.2 6.7

44

-25.00% to -29.99% 3.7 4.8 5.6 6.3 6.8

45

-30.00% to -34.99% 3.8 4.8 5.7 6.3 6.9

46

-35.00% and under 5.4 5.4 5.8 6.4 7.0

47

New Employer Rate 2.8 2.8 2.8 3.1 3.4

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1       <sup>1</sup>Fund balance as of March 31 as a percentage of taxable wages  
2 in the prior calendar year.

3       <sup>2</sup>Employer Reserve Ratio (Contributions minus benefits as a  
4 percentage of employer's taxable wages).

5       (F) (i) (Deleted by amendment, P.L.1997, c.263).

6       (ii) (Deleted by amendment, P.L.2008, c.17).

7       (iii) (Deleted by amendment, P.L.2013, c.75).

8       (iv) With respect to experience rating years beginning on or after  
9 July 1, 2011 and before July 1, 2013, if the fund reserve ratio, based  
10 on the fund balance as of the prior March 31, is less than 1.0%, the  
11 contribution rate for each employer liable to pay contributions, as  
12 computed under subparagraph (E) of this paragraph (5), shall be  
13 increased by a factor of 10% computed to the nearest multiple of  
14 1/10% if not already a multiple thereof.

15       (v) With respect to experience rating years beginning on or after  
16 July 1, 2014, if the fund reserve ratio, based on the fund balance as  
17 of the prior March 31, is less than 1.0%, the contribution rate for  
18 each employer liable to pay contributions, as computed under  
19 subparagraph (E) of this paragraph (5), shall be increased by a  
20 factor of 10% computed to the nearest multiple of 1/10% if not  
21 already a multiple thereof.

22       (G) On or after January 1, 1993, notwithstanding any other  
23 provisions of this paragraph (5), the contribution rate for each  
24 employer liable to pay contributions, as computed under  
25 subparagraph (E) of this paragraph (5), shall be decreased by 0.1%,  
26 except that, during any experience rating year starting before  
27 January 1, 1998 in which the fund reserve ratio is equal to or greater  
28 than 7.00% or during any experience rating year starting on or after  
29 January 1, 1998, in which the fund reserve ratio is equal to or  
30 greater than 3.5%, there shall be no decrease pursuant to this  
31 subparagraph (G) in the contribution of any employer who has a  
32 deficit reserve ratio of negative 35.00% or under.

33       (H) On and after January 1, 1998 until December 31, 2000 and  
34 on or after January 1, 2002 until June 30, 2006, the contribution rate  
35 for each employer liable to pay contributions, as computed under  
36 subparagraph (E) of this paragraph (5), shall be decreased by a  
37 factor, as set out below, computed to the nearest multiple of 1/10%,  
38 except that, if an employer has a deficit reserve ratio of negative  
39 35.0% or under, the employer's rate of contribution shall not be  
40 reduced pursuant to this subparagraph (H) to less than 5.4%:

41       From January 1, 1998 until December 31, 1998, a factor of 12%;

42       From January 1, 1999 until December 31, 1999, a factor of 10%;

43       From January 1, 2000 until December 31, 2000, a factor of 7%;

44       From January 1, 2002 until March 31, 2002, a factor of 36%;

45       From April 1, 2002 until June 30, 2002, a factor of 85%;

46       From July 1, 2002 until June 30, 2003, a factor of 15%;

47       From July 1, 2003 until June 30, 2004, a factor of 15%;

48       From July 1, 2004 until June 30, 2005, a factor of 7%;

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1 From July 1, 2005 until December 31, 2005, a factor of 16%; and  
2 From January 1, 2006 until June 30, 2006, a factor of 34%.

3 The amount of the reduction in the employer contributions  
4 stipulated by this subparagraph (H) shall be in addition to the  
5 amount of the reduction in the employer contributions stipulated by  
6 subparagraph (G) of this paragraph (5), except that the rate of  
7 contribution of an employer who has a deficit reserve ratio of  
8 negative 35.0% or under shall not be reduced pursuant to this  
9 subparagraph (H) to less than 5.4% and the rate of contribution of  
10 any other employer shall not be reduced to less than 0.0%.

11 (I) (Deleted by amendment, P.L.2008, c.17).

12 (J) On or after July 1, 2001, notwithstanding any other  
13 provisions of this paragraph (5), the contribution rate for each  
14 employer liable to pay contributions, as computed under  
15 subparagraph (E) of this paragraph (5), shall be decreased by  
16 0.0175%, except that, during any experience rating year starting on  
17 or after July 1, 2001, in which the fund reserve ratio is equal to or  
18 greater than 3.5%, there shall be no decrease pursuant to this  
19 subparagraph (J) in the contribution of any employer who has a  
20 deficit reserve ratio of negative 35.00% or under. The amount of the  
21 reduction in the employer contributions stipulated by this  
22 subparagraph (J) shall be in addition to the amount of the reduction  
23 in the employer contributions stipulated by subparagraphs (G) and  
24 (H) of this paragraph (5), except that the rate of contribution of an  
25 employer who has a deficit reserve ratio of negative 35.0% or under  
26 shall not be reduced pursuant to this subparagraph (J) to less than  
27 5.4% and the rate of contribution of any other employer shall not be  
28 reduced to less than 0.0%.

29 (K) With respect to experience rating years beginning on or after  
30 July 1, 2009, if the fund reserve ratio, based on the fund balance as  
31 of the prior March 31, is:

32 (i) Equal to or greater than 5.00% but less than 7.5%, the  
33 contribution rate for each employer liable to pay contributions, as  
34 computed under subparagraph (E) of this paragraph (5), shall be  
35 reduced by a factor of 25% computed to the nearest multiple of  
36 1/10% if not already a multiple thereof except that there shall be no  
37 decrease pursuant to this subparagraph (K) in the contribution of  
38 any employer who has a deficit reserve ratio of 35.00% or under;

39 (ii) Equal to or greater than 7.5%, the contribution rate for each  
40 employer liable to pay contributions, as computed under  
41 subparagraph (E) of this paragraph (5), shall be reduced by a factor  
42 of 50% computed to the nearest multiple of 1/10% if not already a  
43 multiple thereof except that there shall be no decrease pursuant to  
44 this subparagraph (K) in the contribution of any employer who has  
45 a deficit reserve ratio of 35.00% or under.

46 (L) Notwithstanding any other provision of this paragraph (5)  
47 and notwithstanding the actual fund reserve ratio, the contribution  
48 rate for employers liable to pay contributions, as computed under

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1 subparagraph (E) of this paragraph (5), shall be, for fiscal year  
2 2011, the rates set by column "C" of the table in that subparagraph.

3 (M) Notwithstanding any other provision of this paragraph (5)  
4 and notwithstanding the actual fund reserve ratio, the contribution  
5 rate for employers liable to pay contributions, as computed under  
6 subparagraph (E) of this paragraph (5), shall be, for fiscal year  
7 2012, the rates set by column "D" of the table in that subparagraph.

8 (N) Notwithstanding any other provision of this paragraph (5)  
9 and notwithstanding the actual fund reserve ratio, the contribution  
10 rate for employers liable to pay contributions, as computed under  
11 subparagraph (E) of this paragraph (5), shall be, for fiscal year  
12 2013, the rates set by column "E" of the table in that subparagraph.

13 (6) Additional contributions.

14 Notwithstanding any other provision of law, any employer who  
15 has been assigned a contribution rate pursuant to subsection (c) of  
16 this section for the year commencing July 1, 1948, and for any year  
17 commencing July 1 thereafter, may voluntarily make payment of  
18 additional contributions, and upon such payment shall receive a  
19 recomputation of the experience rate applicable to such employer,  
20 including in the calculation the additional contribution so made,  
21 except that, following a transfer as described under R.S.43:21-  
22 7(c)(7)(D), neither the predecessor nor successor in interest shall be  
23 eligible to make a voluntary payment of additional contributions  
24 during the year the transfer occurs and the next full calendar year.  
25 Any such additional contribution shall be made during the 30-day  
26 period following the notification to the employer of his contribution  
27 rate as prescribed in this section, unless, for good cause, the time  
28 for payment has been extended by the controller for not to exceed  
29 an additional 60 days; provided that in no event may such payments  
30 which are made later than 120 days after the beginning of the year  
31 for which such rates are effective be considered in determining the  
32 experience rate for the year in which the payment is made. Any  
33 employer receiving any extended period of time within which to  
34 make such additional payment and failing to make such payment  
35 timely shall be, in addition to the required amount of additional  
36 payment, liable for a penalty of 5% thereof or \$5.00, whichever is  
37 greater, not to exceed \$50.00. Any adjustment under this subsection  
38 shall be made only in the form of credits against accrued or future  
39 contributions.

40 (7) Transfers.

41 (A) Upon the transfer of the organization, trade or business, or  
42 substantially all the assets of an employer to a successor in interest,  
43 whether by merger, consolidation, sale, transfer, descent or  
44 otherwise, the controller shall transfer the employment experience  
45 of the predecessor employer to the successor in interest, including  
46 credit for past years, contributions paid, annual payrolls, benefit  
47 charges, et cetera, applicable to such predecessor employer,  
48 pursuant to regulation, if it is determined that the employment



1 experience of the predecessor employer with respect to the  
2 organization, trade, assets or business which has been transferred  
3 may be considered indicative of the future employment experience  
4 of the successor in interest. The successor in interest may, within  
5 four months of the date of such transfer of the organization, trade,  
6 assets or business, or thereafter upon good cause shown, request a  
7 reconsideration of the transfer of employment experience of the  
8 predecessor employer. The request for reconsideration shall  
9 demonstrate, to the satisfaction of the controller, that the  
10 employment experience of the predecessor is not indicative of the  
11 future employment experience of the successor.

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

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

40 (D) If an employer transfers in whole or in part his or its  
41 organization, trade, assets or business to a successor in interest,  
42 whether by merger, consolidation, sale, transfer, descent or  
43 otherwise and both the employer and successor in interest are at the  
44 time of the transfer under common ownership, management or  
45 control, then the employment experience attributable to the  
46 transferred business shall also be transferred to and combined with  
47 the employment experience of the successor in interest. The transfer

1 of the employment experience is mandatory and not subject to  
2 appeal or protest.

3 (E) The transfer of part of an employer's employment experience  
4 to a successor in interest shall become effective as of the first day of  
5 the calendar quarter following the acquisition by the successor in  
6 interest. As of the effective date, the successor in interest shall have  
7 its employer rate recalculated by merging its existing employment  
8 experience, if any, with the employment experience acquired. If the  
9 successor in interest is not an employer as of the date of acquisition,  
10 it shall be assigned the new employer rate until the effective date of  
11 the transfer of employment experience.

12 (F) Upon the transfer in whole or in part of the organization,  
13 trade, assets or business to a successor in interest, the employment  
14 experience shall not be transferred if the successor in interest is not  
15 an employer at the time of the acquisition and the controller finds  
16 that the successor in interest acquired the business solely or  
17 primarily for the purpose of obtaining a lower rate of contributions.

18 (d) Contributions of workers to the unemployment  
19 compensation fund and the State disability benefits fund.

20 (1) (A) For periods after January 1, 1975, each worker shall  
21 contribute to the fund 1% of his wages with respect to his  
22 employment with an employer, which occurs on and after January  
23 1, 1975, after such employer has satisfied the condition set forth in  
24 subsection (h) of R.S.43:21-19 with respect to becoming an  
25 employer; provided, however, that such contributions shall be at the  
26 rate of 1/2 of 1% of wages paid with respect to employment while  
27 the worker is in the employ of the State of New Jersey, or any  
28 governmental entity or instrumentality which is an employer as  
29 defined under R.S.43:21-19(h)(5), or is covered by an approved  
30 private plan under the "Temporary Disability Benefits Law" or  
31 while the worker is exempt from the provisions of the "Temporary  
32 Disability Benefits Law" under section 7 of that law,  
33 P.L.1948, c.110 (C.43:21-31).

34 (B) Effective January 1, 1978 there shall be no contributions by  
35 workers in the employ of any governmental or nongovernmental  
36 employer electing or required to make payments in lieu of  
37 contributions unless the employer is covered by the State plan under  
38 the "Temporary Disability Benefits Law" (C.43:21-25 et al.), and in  
39 that case contributions shall be at the rate of 1/2 of 1%, except that  
40 commencing July 1, 1986, workers in the employ of any  
41 nongovernmental employer electing or required to make payments  
42 in lieu of contributions shall be required to make contributions to  
43 the fund at the same rate prescribed for workers of other  
44 nongovernmental employers.

45 (C) (i) Notwithstanding the above provisions of this paragraph  
46 (1), during the period starting July 1, 1986 and ending December  
47 31, 1992, each worker shall contribute to the fund 1.125% of wages  
48 paid with respect to his employment with a governmental employer

1 electing or required to pay contributions or nongovernmental  
2 employer, including a nonprofit organization which is an employer  
3 as defined under R.S.43:21-19(h)(6), regardless of whether that  
4 nonprofit organization elects or is required to finance its benefit  
5 costs with contributions to the fund or by payments in lieu of  
6 contributions, after that employer has satisfied the conditions set  
7 forth in subsection R.S.43:21-19(h) with respect to becoming an  
8 employer. Contributions, however, shall be at the rate of 0.625%  
9 while the worker is covered by an approved private plan under the  
10 "Temporary Disability Benefits Law" or while the worker is exempt  
11 under section 7 of that law, P.L.1948, c.110 (C.43:21-31) or any  
12 other provision of that law; provided that such contributions shall  
13 be at the rate of 0.625% of wages paid with respect to employment  
14 with the State of New Jersey or any other governmental entity or  
15 instrumentality electing or required to make payments in lieu of  
16 contributions and which is covered by the State plan under the  
17 "Temporary Disability Benefits Law," except that, while the worker  
18 is exempt from the provisions of the "Temporary Disability Benefits  
19 Law" under section 7 of that law, P.L.1948, c.110 (C.43:21-31) or  
20 any other provision of that law, or is covered for disability benefits  
21 by an approved private plan of the employer, the contributions to  
22 the fund shall be 0.125%.

23 (ii) (Deleted by amendment, P.L.1995, c.422.)

24 (D) Notwithstanding any other provisions of this paragraph (1),  
25 during the period starting January 1, 1993 and ending June 30,  
26 1994, each worker shall contribute to the unemployment  
27 compensation fund 0.5% of wages paid with respect to the worker's  
28 employment with a governmental employer electing or required to  
29 pay contributions or nongovernmental employer, including a  
30 nonprofit organization which is an employer as defined under  
31 paragraph (6) of subsection (h) of R.S.43:21-19, regardless of  
32 whether that nonprofit organization elects or is required to finance  
33 its benefit costs with contributions to the fund or by payments in  
34 lieu of contributions, after that employer has satisfied the conditions  
35 set forth in subsection (h) of R.S.43:21-19 with respect to becoming  
36 an employer. No contributions, however, shall be made by the  
37 worker while the worker is covered by an approved private plan  
38 under the "Temporary Disability Benefits Law," P.L.1948, c.110  
39 (C.43:21-25 et al.) or while the worker is exempt under section 7 of  
40 P.L.1948, c.110 (C.43:21-31) or any other provision of that law;  
41 provided that the contributions shall be at the rate of 0.50% of  
42 wages paid with respect to employment with the State of New  
43 Jersey or any other governmental entity or instrumentality electing  
44 or required to make payments in lieu of contributions and which is  
45 covered by the State plan under the "Temporary Disability Benefits  
46 Law," except that, while the worker is exempt from the provisions  
47 of the "Temporary Disability Benefits Law" under section 7 of that  
48 law, P.L.1948, c.110 (C.43:21-31) or any other provision of that

1 law, or is covered for disability benefits by an approved private plan  
2 of the employer, no contributions shall be made to the fund.

3 Each worker shall, starting on January 1, 1996 and ending March  
4 31, 1996, contribute to the unemployment compensation fund  
5 0.60% of wages paid with respect to the worker's employment with  
6 a governmental employer electing or required to pay contributions  
7 or nongovernmental employer, including a nonprofit organization  
8 which is an employer as defined under paragraph (6) of subsection  
9 (h) of R.S.43:21-19, regardless of whether that nonprofit  
10 organization elects or is required to finance its benefit costs with  
11 contributions to the fund or by payments in lieu of contributions,  
12 after that employer has satisfied the conditions set forth in  
13 subsection (h) of R.S.43:21-19 with respect to becoming an  
14 employer, provided that the contributions shall be at the rate of  
15 0.10% of wages paid with respect to employment with the State of  
16 New Jersey or any other governmental entity or instrumentality  
17 electing or required to make payments in lieu of contributions.

18 Each worker shall, starting on January 1, 1998 and ending  
19 December 31, 1998, contribute to the unemployment compensation  
20 fund 0.10% of wages paid with respect to the worker's employment  
21 with a governmental employer electing or required to pay  
22 contributions or nongovernmental employer, including a nonprofit  
23 organization which is an employer as defined under paragraph (6)  
24 of subsection (h) of R.S.43:21-19, regardless of whether that  
25 nonprofit organization elects or is required to finance its benefit  
26 costs with contributions to the fund or by payments in lieu of  
27 contributions, after that employer has satisfied the conditions set  
28 forth in subsection (h) of R.S.43:21-19 with respect to becoming an  
29 employer, provided that the contributions shall be at the rate of  
30 0.10% of wages paid with respect to employment with the State of  
31 New Jersey or any other governmental entity or instrumentality  
32 electing or required to make payments in lieu of contributions.

33 Each worker shall, starting on January 1, 1999 until December  
34 31, 1999, contribute to the unemployment compensation fund  
35 0.15% of wages paid with respect to the worker's employment with  
36 a governmental employer electing or required to pay contributions  
37 or nongovernmental employer, including a nonprofit organization  
38 which is an employer as defined under paragraph (6) of subsection  
39 (h) of R.S.43:21-19, regardless of whether that nonprofit  
40 organization elects or is required to finance its benefit costs with  
41 contributions to the fund or by payments in lieu of contributions,  
42 after that employer has satisfied the conditions set forth in  
43 subsection (h) of R.S.43:21-19 with respect to becoming an  
44 employer, provided that the contributions shall be at the rate of  
45 0.10% of wages paid with respect to employment with the State of  
46 New Jersey or any other governmental entity or instrumentality  
47 electing or required to make payments in lieu of contributions.

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1 Each worker shall, starting on January 1, 2000 until December  
2 31, 2001, contribute to the unemployment compensation fund  
3 0.20% of wages paid with respect to the worker's employment with  
4 a governmental employer electing or required to pay contributions  
5 or nongovernmental employer, including a nonprofit organization  
6 which is an employer as defined under paragraph (6) of subsection  
7 (h) of R.S.43:21-19, regardless of whether that nonprofit  
8 organization elects or is required to finance its benefit costs with  
9 contributions to the fund or by payments in lieu of contributions,  
10 after that employer has satisfied the conditions set forth in  
11 subsection (h) of R.S.43:21-19 with respect to becoming an  
12 employer, provided that the contributions shall be at the rate of  
13 0.10% of wages paid with respect to employment with the State of  
14 New Jersey or any other governmental entity or instrumentality  
15 electing or required to make payments in lieu of contributions.

16 Each worker shall, starting on January 1, 2002 until June 30,  
17 2004, contribute to the unemployment compensation fund 0.1825%  
18 of wages paid with respect to the worker's employment with a  
19 governmental employer electing or required to pay contributions or  
20 a nongovernmental employer, including a nonprofit organization  
21 which is an employer as defined under paragraph (6) of subsection  
22 (h) of R.S.43:21-19, regardless of whether that nonprofit  
23 organization elects or is required to finance its benefit costs with  
24 contributions to the fund or by payments in lieu of contributions,  
25 after that employer has satisfied the conditions set forth in  
26 subsection (h) of R.S.43:21-19 with respect to becoming an  
27 employer, provided that the contributions shall be at the rate of  
28 0.0825% of wages paid with respect to employment with the State  
29 of New Jersey or any other governmental entity or instrumentality  
30 electing or required to make payments in lieu of contributions.

31 Each worker shall, starting on and after July 1, 2004, contribute  
32 to the unemployment compensation fund 0.3825% of wages paid  
33 with respect to the worker's employment with a governmental  
34 employer electing or required to pay contributions or  
35 nongovernmental employer, including a nonprofit organization  
36 which is an employer as defined under paragraph (6) of subsection  
37 (h) of R.S.43:21-19, regardless of whether that nonprofit  
38 organization elects or is required to finance its benefit costs with  
39 contributions to the fund or by payments in lieu of contributions,  
40 after that employer has satisfied the conditions set forth in  
41 subsection (h) of R.S.43:21-19 with respect to becoming an  
42 employer, provided that the contributions shall be at the rate of  
43 0.0825% of wages paid with respect to employment with the State  
44 of New Jersey or any other governmental entity or instrumentality  
45 electing or required to make payments in lieu of contributions.

46 (E) Each employer shall, notwithstanding any provision of law  
47 in this State to the contrary, withhold in trust the amount of his  
48 workers' contributions from their wages at the time such wages are

1 paid, shall show such deduction on his payroll records, shall furnish  
2 such evidence thereof to his workers as the division or controller  
3 may prescribe, and shall transmit all such contributions, in addition  
4 to his own contributions, to the office of the controller in such  
5 manner and at such times as may be prescribed. If any employer  
6 fails to deduct the contributions of any of his workers at the time  
7 their wages are paid, or fails to make a deduction therefor at the  
8 time wages are paid for the next succeeding payroll period, he alone  
9 shall thereafter be liable for such contributions, and for the purpose  
10 of R.S.43:21-14, such contributions shall be treated as employer's  
11 contributions required from him.

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

15 (G) (i) Each worker shall, starting on July 1, 1994 and ending on  
16 December 31, 2011, contribute to the State disability benefits fund  
17 an amount equal to 0.50% of wages paid with respect to the  
18 worker's employment with a government employer electing or  
19 required to pay contributions to the State disability benefits fund or  
20 nongovernmental employer, including a nonprofit organization  
21 which is an employer as defined under paragraph (6) of subsection  
22 (h) of R.S.43:21-19, unless the employer is covered by an approved  
23 private disability plan or is exempt from the provisions of the  
24 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25  
25 et al.) under section 7 of that law (C.43:21-31) or any other  
26 provision of that law. Each worker, with respect to the worker's  
27 employment with a government employer electing or required to  
28 pay contributions to the State disability benefits fund or  
29 nongovernmental employer, including a nonprofit organization  
30 which is an employer as defined under paragraph (6) of subsection  
31 (h) of R.S.43:21-19, unless the employer is covered by an approved  
32 private disability plan or is exempt from the provisions of the  
33 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25  
34 et al.) under section 7 of that law (C.43:21-31) or any other  
35 provision of that law, shall, for calendar year 2012 and each  
36 subsequent calendar year, make contributions to the State disability  
37 benefits fund at the annual rate of contribution necessary to obtain a  
38 total amount of contributions, which, when added to employer  
39 contributions made to the State disability benefits fund pursuant to  
40 subsection (e) of this section, is equal to 120% of the benefits paid  
41 for periods of disability, excluding periods of family temporary  
42 disability, during the immediately preceding calendar year plus an  
43 amount equal to 100% of the cost of administration of the payment  
44 of those benefits during the immediately preceding calendar year,  
45 less the amount of net assets remaining in the State disability  
46 benefits fund, excluding net assets remaining in the "Family  
47 Temporary Disability Leave Account" of that fund, as of December  
48 31 of the immediately preceding year. The rates of employer

1 contributions determined pursuant to subsection (e) of this section  
2 for any year shall be determined prior to the determination of the  
3 rate of employee contributions pursuant to this subparagraph (i) and  
4 any consideration of employee contributions in determining  
5 employer rates for any year shall be based on amounts of employee  
6 contributions made prior to the year to which the rate of employee  
7 contributions applies and shall not be based on any projection or  
8 estimate of the amount of employee contributions for the year to  
9 which that rate applies.

10 (ii) Each worker shall contribute to the State disability benefits  
11 fund, in addition to any amount contributed pursuant to  
12 subparagraph (i) of this paragraph (1)(G), an amount equal to,  
13 during calendar year 2009, 0.09%, and during calendar year 2010  
14 0.12%, of wages paid with respect to the worker's employment with  
15 any covered employer, including a governmental employer which is  
16 an employer as defined under R.S.43:21-19(h)(5), unless the  
17 employer is covered by an approved private disability plan for  
18 benefits during periods of family temporary disability leave. The  
19 contributions made pursuant to this subparagraph (ii) to the State  
20 disability benefits fund shall be deposited into an account of that  
21 fund reserved for the payment of benefits during periods of family  
22 temporary disability leave as defined in section 3 of the "Temporary  
23 Disability Benefits Law," P.L.1948, c.110 (C.43:21-27) and for the  
24 administration of those payments and shall not be used for any other  
25 purpose. This account shall be known as the "Family Temporary  
26 Disability Leave Account." For calendar year 2011 and each  
27 subsequent calendar year, the annual rate of contribution to be paid  
28 by workers pursuant to this subparagraph (ii) shall be the rate  
29 necessary to obtain a total amount of contributions equal to 125% of  
30 the benefits paid for periods of family temporary disability leave  
31 during the immediately preceding calendar year plus an amount  
32 equal to 100% of the cost of administration of the payment of those  
33 benefits during the immediately preceding calendar year, less the  
34 amount of net assets remaining in the account as of December 31 of  
35 the immediately preceding year. Necessary administrative costs  
36 shall include the cost of an outreach program to inform employees  
37 of the availability of the benefits and the cost of issuing the reports  
38 required or permitted pursuant to section 13 of P.L.2008, c.17  
39 (C.43:21-39.4). No monies, other than the funds in the "Family  
40 Temporary Disability Leave Account," shall be used for the  
41 payment of benefits during periods of family temporary disability  
42 leave or for the administration of those payments, with the sole  
43 exception that, during calendar years 2008 and 2009, a total amount  
44 not exceeding \$25 million may be transferred to that account from  
45 the revenues received in the State disability benefits fund pursuant  
46 to subparagraph (i) of this paragraph (1)(G) and be expended for  
47 those payments and their administration, including the  
48 administration of the collection of contributions made pursuant to

1 this subparagraph (ii) and any other necessary administrative costs.  
2 Any amount transferred to the account pursuant to this  
3 subparagraph (ii) shall be repaid during a period beginning not later  
4 than January 1, 2011 and ending not later than December 31, 2015.  
5 No monies, other than the funds in the "Family Temporary  
6 Disability Leave Account," shall be used under any circumstances  
7 after December 31, 2009, for the payment of benefits during periods  
8 of family temporary disability leave or for the administration of  
9 those payments, including for the administration of the collection of  
10 contributions made pursuant to this subparagraph (ii).

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

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

13 (C) (Deleted by amendment, P.L.1994, c.112.)

14 (D) (Deleted by amendment, P.L.1994, c.112.)

15 (E) (i) (Deleted by amendment, P.L.1994, c.112.)

16 (ii) (Deleted by amendment, P.L.1996, c.28.)

17 (iii) (Deleted by amendment, P.L.1994, c.112.)

18 (3) (A) If an employee receives wages from more than one  
19 employer during any calendar year, and either the sum of his  
20 contributions deposited in and credited to the State disability  
21 benefits fund plus the amount of his contributions, if any, required  
22 towards the costs of benefits under one or more approved private  
23 plans under the provisions of section 9 of the "Temporary Disability  
24 Benefits Law" (C.43:21-33) and deducted from his wages, or the  
25 sum of such latter contributions, if the employee is covered during  
26 such calendar year only by two or more private plans, exceeds an  
27 amount equal to 1/2 of 1% of the "wages" determined in accordance  
28 with the provisions of R.S.43:21-7(b)(3) during the calendar years  
29 beginning on or after January 1, 1976 or, during calendar year 2012  
30 or any subsequent calendar year, the total amount of his  
31 contributions for the year exceeds the amount set by the annual rate  
32 of contribution determined by the Commissioner of Labor and  
33 Workforce Development pursuant to subparagraph (i) of paragraph  
34 (1)(G) of this subsection (d), the employee shall be entitled to a  
35 refund of the excess if he makes a claim to the controller within two  
36 years after the end of the calendar year in which the wages are  
37 received with respect to which the refund is claimed and establishes  
38 his right to such refund. Such refund shall be made by the controller  
39 from the State disability benefits fund. No interest shall be allowed  
40 or paid with respect to any such refund. The controller shall, in  
41 accordance with prescribed regulations, determine the portion of the  
42 aggregate amount of such refunds made during any calendar year  
43 which is applicable to private plans for which deductions were  
44 made under section 9 of the "Temporary Disability Benefits Law"  
45 (C.43:21-33) such determination to be based upon the ratio of the  
46 amount of such wages exempt from contributions to such fund, as  
47 provided in subparagraph (B) of paragraph (1) of this subsection  
48 with respect to coverage under private plans, to the total wages so



1 exempt plus the amount of such wages subject to contributions to  
2 the disability benefits fund, as provided in subparagraph (G) of  
3 paragraph (1) of this subsection. The controller shall, in accordance  
4 with prescribed regulations, prorate the amount so determined  
5 among the applicable private plans in the proportion that the wages  
6 covered by each plan bear to the total private plan wages involved  
7 in such refunds, and shall assess against and recover from the  
8 employer, or the insurer if the insurer has indemnified the employer  
9 with respect thereto, the amount so prorated. The provisions of  
10 R.S.43:21-14 with respect to collection of employer contributions  
11 shall apply to such assessments. The amount so recovered by the  
12 controller shall be paid into the State disability benefits fund.

13 (B) If an employee receives wages from more than one employer  
14 during any calendar year, and the sum of his contributions deposited  
15 in the "Family Temporary Disability Leave Account" of the State  
16 disability benefits fund plus the amount of his contributions, if any,  
17 required towards the costs of family temporary disability leave  
18 benefits under one or more approved private plans under the  
19 provisions of the "Temporary Disability Benefits Law" (C.43:21-25  
20 et al.) and deducted from his wages, exceeds an amount equal to,  
21 during calendar year 2009, 0.09% of the "wages" determined in  
22 accordance with the provisions of R.S.43:21-7(b)(3), or during  
23 calendar year 2010, 0.12% of those wages, or, during calendar year  
24 2011 or any subsequent calendar year, the percentage of those  
25 wages set by the annual rate of contribution determined by the  
26 Commissioner of Labor and Workforce Development pursuant to  
27 subparagraph (ii) of paragraph (1)(G) of this subsection (d), the  
28 employee shall be entitled to a refund of the excess if he makes a  
29 claim to the controller within two years after the end of the calendar  
30 year in which the wages are received with respect to which the  
31 refund is claimed and establishes his right to the refund. The refund  
32 shall be made by the controller from the "Family Temporary  
33 Disability Leave Account" of the State disability benefits fund. No  
34 interest shall be allowed or paid with respect to any such refund.  
35 The controller shall, in accordance with prescribed regulations,  
36 determine the portion of the aggregate amount of the refunds made  
37 during any calendar year which is applicable to private plans for  
38 which deductions were made under section 9 of the "Temporary  
39 Disability Benefits Law" (C.43:21-33), with that determination  
40 based upon the ratio of the amount of such wages exempt from  
41 contributions to the fund, as provided in paragraph (1)(B) of this  
42 subsection (d) with respect to coverage under private plans, to the  
43 total wages so exempt plus the amount of such wages subject to  
44 contributions to the "Family Temporary Disability Leave Account"  
45 of the State disability benefits fund, as provided in subparagraph (ii)  
46 of paragraph (1)(G) of this subsection (d). The controller shall, in  
47 accordance with prescribed regulations, prorate the amount so  
48 determined among the applicable private plans in the proportion

1 that the wages covered by each plan bear to the total private plan  
2 wages involved in such refunds, and shall assess against and  
3 recover from the employer, or the insurer if the insurer has  
4 indemnified the employer with respect thereto, the prorated amount.  
5 The provisions of R.S.43:21-14 with respect to collection of  
6 employer contributions shall apply to such assessments. The  
7 amount so recovered by the controller shall be paid into the "Family  
8 Temporary Disability Leave Account" of the State disability  
9 benefits fund.

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

25 (5) Every employer who has elected to become an employer  
26 subject to this chapter (R.S.43:21-1 et seq.), or to cease to be an  
27 employer subject to this chapter (R.S.43:21-1 et seq.), pursuant to  
28 the provisions of R.S.43:21-8, shall post and maintain printed  
29 notices of such election on his premises, of such design, in such  
30 numbers, and at such places as the director may determine to be  
31 necessary to give notice thereof to persons in his service.

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

35 (e) Contributions by employers to the State disability benefits  
36 fund.

37 (1) Except as hereinafter provided, each employer shall, in  
38 addition to the contributions required by subsections (a), (b), and  
39 (c) of this section, contribute 1/2 of 1% of the wages paid by such  
40 employer to workers with respect to employment unless he is not a  
41 covered employer as defined in subsection (a) of section 3 of the  
42 "Temporary Disability Benefits Law" (C.43:21-27 (a)), except that  
43 the rate for the State of New Jersey shall be 1/10 of 1% for the  
44 calendar year 1980 and for the first six months of 1981. Prior to  
45 July 1, 1981 and prior to July 1 each year thereafter, the controller  
46 shall review the experience accumulated in the account of the State  
47 of New Jersey and establish a rate for the next following fiscal year  
48 which, in combination with worker contributions, will produce

1 sufficient revenue to keep the account in balance; except that the  
2 rate so established shall not be less than 1/10 of 1%. Such  
3 contributions shall become due and be paid by the employer to the  
4 controller for the State disability benefits fund as established by  
5 law, in accordance with such regulations as may be prescribed, and  
6 shall not be deducted, in whole or in part, from the remuneration of  
7 individuals in his employ. In the payment of any contributions, a  
8 fractional part of a cent shall be disregarded unless it amounts to  
9 \$0.005 or more, in which case it shall be increased to \$0.01.

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

15 (3) (A) The rates of contribution as specified in paragraph (1)  
16 above shall be subject to modification as provided herein with  
17 respect to employer contributions due on and after July 1, 1951.

18 (B) A separate disability benefits account shall be maintained for  
19 each employer required to contribute to the State disability benefits  
20 fund and such account shall be credited with contributions  
21 deposited in and credited to such fund with respect to employment  
22 occurring on and after January 1, 1949. Each employer's account  
23 shall be credited with all contributions paid on or before January 31  
24 of any calendar year on his own behalf and on behalf of individuals  
25 in his service with respect to employment occurring in preceding  
26 calendar years; provided, however, that if January 31 of any  
27 calendar year falls on a Saturday or Sunday an employer's account  
28 shall be credited as of January 31 of such calendar year with all the  
29 contributions which he has paid on or before the next succeeding  
30 day which is not a Saturday or Sunday. But nothing in this act shall  
31 be construed to grant any employer or individuals in his service  
32 prior claims or rights to the amounts paid by him to the fund either  
33 on his own behalf or on behalf of such individuals. Benefits paid to  
34 any covered individual in accordance with Article III of the  
35 "Temporary Disability Benefits Law" on or before December 31 of  
36 any calendar year with respect to disability in such calendar year  
37 and in preceding calendar years shall be charged against the account  
38 of the employer by whom such individual was employed at the  
39 commencement of such disability or by whom he was last  
40 employed, if out of employment.

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

1 (D) Prior to July 1 of each calendar year, the controller shall  
2 make a preliminary determination of the rate of contribution for the  
3 12 months commencing on such July 1 for each employer subject to  
4 the contribution requirements of this subsection (e).

5 (1) Such preliminary rate shall be  $\frac{1}{2}$  of 1% unless on the  
6 preceding January 31 of such year such employer shall have been a  
7 covered employer who has paid contributions to the State disability  
8 benefits fund with respect to employment in the three calendar  
9 years immediately preceding such year.

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

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

17 (ii)  $\frac{15}{100}$  of 1% if such excess over \$500.00 equals or exceeds  
18  $1\frac{1}{4}$ % but is less than  $1\frac{1}{2}$ % of his average annual payroll;

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

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

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

31 (i)  $\frac{35}{100}$  of 1% if such excess over \$500.00 is less than  $\frac{1}{4}$  of  
32 1% of his average annual payroll;

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

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

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

39 (v)  $\frac{75}{100}$  of 1% if such excess over \$500.00 equals or exceeds  
40 1% of his average annual payroll.

41 (5) Determination of the preliminary rate as specified in  
42 subparagraphs (D)(2), (3) and (4) above shall be subject, however,  
43 to the condition that it shall in no event be decreased by more than  
44  $\frac{1}{10}$  of 1% of wages or increased by more than  $\frac{2}{10}$  of 1% of  
45 wages from the preliminary rate determined for the preceding year  
46 in accordance with subparagraph (D) (1), (2), (3) or (4), whichever  
47 shall have been applicable.

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

15 (2) The controller shall then make a final determination of the  
16 rates of contribution for the 12 months commencing July 1 of such  
17 year for employers whose preliminary rates are determined as  
18 provided in subparagraph (D) hereof, as follows:

19 (i) If the percentage determined in accordance with  
20 subparagraph (E)(1) of this paragraph equals or exceeds 1 1/4%, the  
21 final employer rates shall be the preliminary rates determined as  
22 provided in subparagraph (D) hereof, except that if the employer's  
23 preliminary rate is determined as provided in subparagraph (D)(2)  
24 or subparagraph (D)(3) hereof, the final employer rate shall be the  
25 preliminary employer rate decreased by such percentage of excess  
26 taken to the nearest 5/100 of 1%, but in no case shall such final rate  
27 be less than 1/10 of 1%.

28 (ii) If the percentage determined in accordance with  
29 subparagraph (E)(1) of this paragraph equals or exceeds 3/4 of 1%  
30 and is less than 1 1/4 of 1%, the final employer rates shall be the  
31 preliminary employer rates.

32 (iii) If the percentage determined in accordance with  
33 subparagraph (E)(1) of this paragraph is less than 3/4 of 1%, but in  
34 excess of 1/4 of 1%, the final employer rates shall be the  
35 preliminary employer rates determined as provided in subparagraph  
36 (D) hereof increased by the difference between 3/4 of 1% and such  
37 percentage taken to the nearest 5/100 of 1%; provided, however,  
38 that no such final rate shall be more than 1/4 of 1% in the case of an  
39 employer whose preliminary rate is determined as provided in  
40 subparagraph (D)(2) hereof, more than 1/2 of 1% in the case of an  
41 employer whose preliminary rate is determined as provided in  
42 subparagraph (D)(1) and subparagraph (D)(3) hereof, nor more than  
43 3/4 of 1% in the case of an employer whose preliminary rate is  
44 determined as provided in subparagraph (D)(4) hereof.

45 (iv) If the amount of the State disability benefits fund determined  
46 as provided in subparagraph (E)(1) of this paragraph is equal to or  
47 less than 1/4 of 1%, then the final rate shall be 2/5 of 1% in the case  
48 of an employer whose preliminary rate is determined as provided in

1 subparagraph (D)(2) hereof, 7/10 of 1% in the case of an employer  
2 whose preliminary rate is determined as provided in subparagraph  
3 (D)(1) and subparagraph (D)(3) hereof, and 1.1% in the case of an  
4 employer whose preliminary rate is determined as provided in  
5 subparagraph (D)(4) hereof. Notwithstanding any other provision of  
6 law or any determination made by the controller with respect to any  
7 12-month period commencing on July 1, 1970, the final rates for all  
8 employers for the period beginning January 1, 1971, shall be as set  
9 forth herein.

10 (F) Notwithstanding any other provisions of this subsection (e),  
11 the rate of contribution paid to the State disability benefits fund by  
12 each covered employer as defined in paragraph (1) of subsection (a)  
13 of section 3 of P.L.1948, c.110 (C.43:21-27), shall be determined as  
14 if:

15 (i) No disability benefits have been paid with respect to periods  
16 of family temporary disability leave;

17 (ii) No worker paid any contributions to the State disability  
18 benefits fund pursuant to paragraph (1)(G)(ii) of subsection (d) of  
19 this section; and

20 (iii) No amounts were transferred from the State disability  
21 benefits fund to the "Family Temporary Disability Leave Account"  
22 pursuant to paragraph (1)(G)(ii) of subsection (d) of this section.  
23 (cf: P.L.2013, c.75, s.1)

24

25 3. This act shall take effect immediately.

26

27

28

#### STATEMENT

29

30 This bill provides that an individual is not disqualified from  
31 unemployment insurance (UI) benefits for voluntarily leaving work  
32 if the individual leaves work with one employer to accept from  
33 another employer employment which commences not more than  
34 seven days after the individual leaves employment with the first  
35 employer, and the employment with the second employer has  
36 weekly hours or pay not less than the hours or pay of the  
37 employment of the first employer.

38 The bill also provides that an employer's account will not be  
39 charged for UI benefits paid to a claimant even if: the employer  
40 paid wages to the claimant during the claimant's base year; the  
41 claimant leaves work with that employer to accept employment  
42 from another employer; and the claimant is paid UI benefits after  
43 being laid off by the subsequent employer.

44 Current law disqualifies any worker who voluntarily leaves a job  
45 from receiving UI benefits and requires the worker to become  
46 reemployed and work at least eight weeks, earning at least 10 times  
47 the workers weekly UI benefit rate, before again being eligible for  
48 UI benefits. This bill would make an exception from that

**S2082 MADDEN**

31

1 requirement for a worker who leaves one job to accept a subsequent  
2 job at least equal in hours or pay, but is laid off from the subsequent  
3 job. The UI laws of 26 states, and the regulations of five other  
4 states, treat accepting other work as good cause for leaving work,  
5 and do not disqualify workers from benefits for doing so.

# SENATE LABOR COMMITTEE

## STATEMENT TO

### SENATE COMMITTEE SUBSTITUTE FOR **SENATE, No. 2082**

# **STATE OF NEW JERSEY**

DATED: JUNE 5, 2014

The Senate Labor Committee reports favorably a Senate Committee Substitute for Senate, No. 2082.

This Senate Committee Substitute provides that an individual is not disqualified from unemployment insurance (UI) benefits for voluntarily leaving work if the individual leaves work with one employer to accept from another employer employment which commences not more than seven days after the individual leaves employment with the first employer, and the employment with the second employer has weekly hours or pay not less than the hours or pay of the employment of the first employer, except that if the individual notifies the first employer that the individual will leave employment on a specified date and the first employer terminates the individual before that date, the seven-day period will commence from the specified date.

Current law, R.S.43:21-5(a), disqualifies any worker who voluntarily leaves a job from receiving UI benefits and requires the worker to become reemployed and work at least eight weeks, earning at least 10 times the worker's weekly UI benefit rate, before again being eligible for UI benefits. This bill would make an exception from that requirement for a worker who leaves one job to accept a subsequent job at least equal in hours or pay, but is laid off from the subsequent job. The UI laws of 26 states, and the regulations of five other states, treat accepting other work as good cause for leaving work, and do not disqualify workers from benefits for doing so.

Another portion of current law, R.S.43:21-7(c)(1), provides that an employer's UI account is not charged for UI benefits paid to a claimant if the employee's employment with the employer ended in any way which would have disqualified the claimant from UI benefits if the employee had applied for benefits at the time when the employment ended, including if the employee voluntarily left work with that employer without good cause attributable to that work. Therefore, under those provisions of the current law, that employer's account would not be charged when the claimant leaves work with that employer to accept employment from another employer, and the claimant is, pursuant to the provisions of this bill, paid UI benefits



after being laid off by the subsequent employer, even if the first employer paid wages to the claimant during the claimant's base year.

**LEGISLATIVE FISCAL ESTIMATE**  
**SENATE COMMITTEE SUBSTITUTE FOR**  
**SENATE, No. 2082**  
**STATE OF NEW JERSEY**  
**216th LEGISLATURE**

DATED: JUNE 19, 2014

**SUMMARY**

**Synopsis:** Concerns UI benefits for claimants who leave work to accept other work and are laid off from subsequent work.

**Type of Impact:** Indeterminate minimal expenditure increase, unemployment insurance compensation trust fund (UI trust fund).

**Agencies Affected:** Department of Labor and Workforce Development.

<b>Fiscal Impact</b>	
<b>State Cost</b>	
<b>UI trust fund</b>	Indeterminate minimal expenditure increase

- The Office of Legislative Services (OLS) estimates that the Senate Committee Substitute for Senate Bill No. 2082 may result in a very slight increase in claims for unemployment insurance (UI) compensation benefits and thus may increase expenditures from the UI trust fund to pay these benefits.

**BILL DESCRIPTION**

The Senate Committee Substitute for Senate Bill No. 2082 of 2014 provides that an individual is not disqualified from UI benefits for voluntarily leaving work if the individual leaves work with one employer to accept from another employer employment which commences not more than seven days after the individual leaves employment with the first employer, and the employment with the second employer has weekly hours or pay not less than the hours or pay of the employment with the first employer. Furthermore, the bill provides that if an employee is terminated by the first employer after the employee has given notice of resignation, the employee will still be eligible for benefits. The seven day period will commence from the date specified in the notice of resignation.

Current law disqualifies any worker who voluntarily leaves a job from receiving UI benefits and requires the worker to become reemployed and work at least eight weeks, earning at least 10 times the worker's weekly UI benefit rate, before again being eligible for UI benefits. This bill would make an exception from that requirement for a worker who leaves one job to accept a subsequent job at least equal in hours or pay, but is laid off from the subsequent job.

The UI laws of 26 states, and the regulations of five other states, treat accepting other work as good cause for leaving work, and do not disqualify workers from benefits for doing so.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The OLS estimates that the Senate Committee Substitute for Senate Bill No. 2082 may result in a very slight increase in claims for UI benefits and thus may increase expenditures from the UI trust fund to pay these claims.

The OLS does not have access to the number of individuals who would qualify for UI benefits pursuant to the new terms established by this bill, nor does the OLS have information on those individuals' weekly benefit rate or the duration of those benefits. The Department of Labor and Workforce Development did deny 35,083 claims for unemployment insurance due to the claimant voluntarily quitting their employment in 2013. However, there is no data available to the OLS to quantify the number of these claimants who had secured future employment and then were subsequently laid off from the new employment. The OLS estimates that there may be some individuals who are currently denied benefits that would be paid benefits under this bill, and therefore the UI trust fund will incur a cost to pay these benefits. However, it is not possible to quantify with any certainty the number of individuals, the amount of their benefit or the duration of their benefit and thus, the cost of this legislation.

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

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

# ASSEMBLY LABOR COMMITTEE

## STATEMENT TO

### SENATE COMMITTEE SUBSTITUTE FOR **SENATE, No. 2082**

# **STATE OF NEW JERSEY**

DATED: SEPTEMBER 11, 2014

The Assembly Labor Committee reports favorably the Senate Committee Substitute for Senate No. 2082.

This substitute provides that an individual is not disqualified from unemployment insurance (UI) benefits for voluntarily leaving work if the individual leaves work with one employer to accept from another employer employment which commences not more than seven days after the individual leaves employment with the first employer, and the employment with the second employer has weekly hours or pay not less than the hours or pay of the employment of the first employer, except that if the individual notifies the first employer that the individual will leave employment on a specified date and the first employer terminates the individual before that date, the seven-day period will commence from the specified date.

Current law, R.S.43:21-5(a), disqualifies any individual who voluntarily leaves a job from receiving UI benefits and requires the individual to become reemployed and work at least eight weeks, earning at least 10 times the individual's weekly UI benefit rate, before again being eligible for UI benefits. This bill would make an exception from that requirement for an individual who leaves one job to accept a subsequent job at least equal in hours or pay, but is laid off from the subsequent job. The UI laws of 26 states, and the regulations of five other states, treat accepting other work as good cause for leaving work, and do not disqualify workers from UI benefits for doing so.

Another portion of current law, R.S.43:21-7(c)(1), provides that an employer's UI account is not charged for UI benefits paid to an individual if the individual's employment with the employer ended in any way which would have disqualified the individual from UI benefits if the individual had applied for benefits at the time when the employment ended, including if the individual voluntarily left work with that employer without good cause attributable to that work. Therefore, under those provisions of the current law, that employer's account would not be charged when the individual leaves work with that employer to accept employment from another employer, and the individual is, pursuant to the provisions of this bill, paid UI benefits

after being laid off by the subsequent employer, even if the first employer paid wages to the individual during the individual's base year.

Fiscal Impact Statement:

The Office of Legislative Services (OLS) estimates that this bill may result in a very slight increase in unemployment compensation insurance (UI) claims and thus, may result in an indeterminate minimal expenditure increase from the State unemployment compensation insurance trust fund (UI trust fund).

The OLS does not have access to the number of individuals who would qualify for UI benefits pursuant to the new terms established by this bill, nor does the OLS have information on those individuals' weekly benefit rate or the duration of those benefits. The Department of Labor and Workforce Development did deny 35,083 claims for unemployment insurance due to the claimant voluntarily quitting their employment in 2013. However, there is no data available to the OLS to quantify the number of these claimants who had secured future employment and then were subsequently laid off from the new employment. The OLS estimates that there may be some individuals who are currently denied benefits that would be paid benefits under this bill, and therefore the UI trust fund will incur a cost to pay these benefits. However, it is not possible to quantify with any certainty the number of individuals, the amount of their benefit or the duration of their benefit and thus, the cost of this legislation.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR  
**SENATE, No. 2082**

**STATE OF NEW JERSEY**

DATED: FEBRUARY 5, 2015

The Assembly Appropriations Committee reports favorably Senate Bill No. 2082 (SCS).

This bill provides that an individual is not disqualified from unemployment insurance (UI) benefits for voluntarily leaving work if the individual leaves work with one employer to accept from another employer employment which commences not more than seven days after the individual leaves employment with the first employer, and the employment with the second employer has weekly hours or pay not less than the hours or pay of the employment of the first employer, except that if the individual notifies the first employer that the individual will leave employment on a specified date and the first employer terminates the individual before that date, the seven-day period will commence from the specified date.

Current law, R.S.43:21-5(a), disqualifies an individual who voluntarily leaves a job from receiving UI benefits and requires the individual to become reemployed and work at least eight weeks, earning at least 10 times the individual's weekly UI benefit rate, before again being eligible for UI benefits. This bill makes an exception from that requirement for an individual who leaves one job to accept a subsequent job at least equal in hours or pay, but is laid off from the subsequent job. The UI laws of 26 states, and the regulations of five other states, treat accepting other work as good cause for leaving work, and do not disqualify workers from UI benefits for doing so.

Another portion of current law, R.S.43:21-7(c) (1), provides that an employer's UI account is not charged for UI benefits paid to an individual if the individual's employment with the employer ended in any way which would have disqualified the individual from UI benefits if the individual had applied for benefits at the time when the employment ended, including if the individual voluntarily left work with that employer without good cause attributable to that work. Therefore, under those provisions of the current law, that employer's account would not be charged if the individual leaves work with that employer to accept employment from another employer, and the individual is, pursuant to the provisions of this bill, paid UI benefits after being laid off by the subsequent employer, even if the first

employer paid wages to the individual during the individual's base year.

As reported, this bill is identical to Assembly Bill No. 3425, as also reported by the committee.

FISCAL IMPACT:

The Office of Legislative Services (OLS) estimates that this bill may result in a very slight increase in unemployment compensation insurance (UI) claims and thus, may result in an indeterminate minimal expenditure increase from the State unemployment compensation insurance trust fund (UI trust fund).

The OLS does not have access to the number of individuals who would qualify for UI benefits pursuant to the new terms established by this bill, nor does the OLS have information on those individuals' weekly benefit rate or the duration of those benefits. The Department of Labor and Workforce Development did deny 35,083 claims for unemployment insurance due to the claimant voluntarily quitting the claimant's employment in 2013. However, there are no data available to the OLS to quantify the number of these claimants who had secured future employment and then were subsequently laid off from the new employment. The OLS estimates that there may be some individuals who are currently denied benefits that would be paid benefits under this bill, and therefore the UI trust fund will incur a cost to pay these benefits. However, it is not possible to quantify with any certainty the number of individuals, the amount of their benefit or the duration of their benefit and thus, the cost of this legislation.

# ASSEMBLY, No. 3425

## STATE OF NEW JERSEY 216th LEGISLATURE

INTRODUCED JUNE 23, 2014

**Sponsored by:**

**Assemblywoman GABRIELA M. MOSQUERA**

**District 4 (Camden and Gloucester)**

**Assemblyman RAJ MUKHERJI**

**District 33 (Hudson)**

**Assemblyman JOSEPH A. LAGANA**

**District 38 (Bergen and Passaic)**

**SYNOPSIS**

Concerns UI benefits for claimants who leave work to accept other work and are laid off from subsequent work.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 9/16/2014)**



1 AN ACT concerning unemployment compensation for certain  
2 individuals and amending R.S.43:21-5.

3

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

6

7 1. R.S.43:21-5 is amended to read as follows:

8 Disqualification for benefits.

9 43:21-5. An individual shall be disqualified for benefits:

10 (a) For the week in which the individual has left work  
11 voluntarily without good cause attributable to such work, and for  
12 each week thereafter until the individual becomes reemployed and  
13 works eight weeks in employment, which may include employment  
14 for the federal government, and has earned in employment at least  
15 ten times the individual's weekly benefit rate, as determined in each  
16 case. This subsection shall apply to any individual seeking  
17 unemployment benefits on the basis of employment in the  
18 production and harvesting of agricultural crops, including any  
19 individual who was employed in the production and harvesting of  
20 agricultural crops on a contract basis and who has refused an offer  
21 of continuing work with that employer following the completion of  
22 the minimum period of work required to fulfill the contract. This  
23 subsection shall not apply to an individual who voluntarily leaves  
24 work with one employer to accept from another employer  
25 employment which commences not more than seven days after the  
26 individual leaves employment with the first employer, if the  
27 employment with the second employer has weekly hours or pay not  
28 less than the hours or pay of the employment of the first employer,  
29 except that if the individual gives notice to the first employer that  
30 the individual will leave employment on a specified date and the  
31 first employer terminates the individual before that date, the seven-  
32 day period will commence from the specified date.

33 (b) For the week in which the individual has been suspended or  
34 discharged for misconduct connected with the work, and for the  
35 seven weeks which immediately follow that week, as determined in  
36 each case.

37 For the week in which the individual has been suspended or  
38 discharged for severe misconduct connected with the work, and for  
39 each week thereafter until the individual becomes reemployed and  
40 works four weeks in employment, which may include employment  
41 for the federal government, and has earned in employment at least  
42 six times the individual's weekly benefit rate, as determined in each  
43 case. Examples of severe misconduct include, but are not  
44 necessarily limited to, the following: repeated violations of an  
45 employer's rule or policy, repeated lateness or absences after a  
46 written warning by an employer, falsification of records, physical

**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 assault or threats that do not constitute gross misconduct as defined  
2 in this section, misuse of benefits, misuse of sick time, abuse of  
3 leave, theft of company property, excessive use of intoxicants or  
4 drugs on work premises, theft of time, or where the behavior is  
5 malicious and deliberate but is not considered gross misconduct as  
6 defined in this section.

7 In the event the discharge should be rescinded by the employer  
8 voluntarily or as a result of mediation or arbitration, this subsection  
9 (b) shall not apply, provided, however, an individual who is  
10 restored to employment with back pay shall return any benefits  
11 received under this chapter for any week of unemployment for  
12 which the individual is subsequently compensated by the employer.

13 If the discharge was for gross misconduct connected with the  
14 work because of the commission of an act punishable as a crime of  
15 the first, second, third or fourth degree under the "New Jersey Code  
16 of Criminal Justice," N.J.S.2C:1-1 et seq., the individual shall be  
17 disqualified in accordance with the disqualification prescribed in  
18 subsection (a) of this section and no benefit rights shall accrue to  
19 any individual based upon wages from that employer for services  
20 rendered prior to the day upon which the individual was discharged.

21 The director shall insure that any appeal of a determination  
22 holding the individual disqualified for gross misconduct in  
23 connection with the work shall be expeditiously processed by the  
24 appeal tribunal.

25 (c) If it is found that the individual has failed, without good  
26 cause, either to apply for available, suitable work when so directed  
27 by the employment office or the director or to accept suitable work  
28 when it is offered, or to return to the individual's customary self-  
29 employment (if any) when so directed by the director. The  
30 disqualification shall continue for the week in which the failure  
31 occurred and for the three weeks which immediately follow that  
32 week, as determined:

33 (1) In determining whether or not any work is suitable for an  
34 individual, consideration shall be given to the degree of risk  
35 involved to health, safety, and morals, the individual's physical  
36 fitness and prior training, experience and prior earnings, the  
37 individual's length of unemployment and prospects for securing  
38 local work in the individual's customary occupation, and the  
39 distance of the available work from the individual's residence. In  
40 the case of work in the production and harvesting of agricultural  
41 crops, the work shall be deemed to be suitable without regard to the  
42 distance of the available work from the individual's residence if all  
43 costs of transportation are provided to the individual and the terms  
44 and conditions of hire are as favorable or more favorable to the  
45 individual as the terms and conditions of the individual's base year  
46 employment.

47 (2) Notwithstanding any other provisions of this chapter, no  
48 work shall be deemed suitable and benefits shall not be denied

1 under this chapter to any otherwise eligible individual for refusing  
2 to accept new work under any of the following conditions: the  
3 position offered is vacant due directly to a strike, lockout, or other  
4 labor dispute; the remuneration, hours, or other conditions of the  
5 work offered are substantially less favorable to the individual than  
6 those prevailing for similar work in the locality; or, the individual,  
7 as a condition of being employed, would be required to join a  
8 company union or to resign from or refrain from joining any bona  
9 fide labor organization.

10 (d) If it is found that this unemployment is due to a stoppage of  
11 work which exists because of a labor dispute at the factory,  
12 establishment or other premises at which the individual is or was  
13 last employed.

14 (1) No disqualification under this subsection (d) shall apply if it  
15 is shown that:

16 (a) The individual is not participating in or financing or directly  
17 interested in the labor dispute which caused the stoppage of work;  
18 and

19 (b) The individual does not belong to a grade or class of workers  
20 of which, immediately before the commencement of the stoppage,  
21 there were members employed at the premises at which the  
22 stoppage occurs, any of whom are participating in or financing or  
23 directly interested in the dispute; provided that if in any case in  
24 which (a) or (b) above applies, separate branches of work which are  
25 commonly conducted as separate businesses in separate premises  
26 are conducted in separate departments of the same premises, each  
27 department shall, for the purpose of this subsection, be deemed to  
28 be a separate factory, establishment, or other premises.

29 (2) For any claim for a period of unemployment commencing on  
30 or after December 1, 2004, no disqualification under this subsection  
31 (d) shall apply if it is shown that the individual has been prevented  
32 from working by the employer, even though the individual's  
33 recognized or certified majority representative has directed the  
34 employees in the individual's collective bargaining unit to work  
35 under the preexisting terms and conditions of employment, and the  
36 employees had not engaged in a strike immediately before being  
37 prevented from working.

38 (e) For any week with respect to which the individual is  
39 receiving or has received remuneration in lieu of notice.

40 (f) For any week with respect to which or a part of which the  
41 individual has received or is seeking unemployment benefits under  
42 an unemployment compensation law of any other state or of the  
43 United States; provided that if the appropriate agency of the other  
44 state or of the United States finally determines that the individual is  
45 not entitled to unemployment benefits, this disqualification shall not  
46 apply.

47 (g) (1) For a period of one year from the date of the discovery  
48 by the division of the illegal receipt or attempted receipt of benefits

1 contrary to the provisions of this chapter, as the result of any false  
2 or fraudulent representation; provided that any disqualification may  
3 be appealed in the same manner as any other disqualification  
4 imposed hereunder; and provided further that a conviction in the  
5 courts of this State arising out of the illegal receipt or attempted  
6 receipt of these benefits in any proceeding instituted against the  
7 individual under the provisions of this chapter or any other law of  
8 this State shall be conclusive upon the appeals tribunal and the  
9 board of review.

10 (2) A disqualification under this subsection shall not preclude  
11 the prosecution of any civil, criminal or administrative action or  
12 proceeding to enforce other provisions of this chapter for the  
13 assessment and collection of penalties or the refund of any amounts  
14 collected as benefits under the provisions of R.S.43:21-16, or to  
15 enforce any other law, where an individual obtains or attempts to  
16 obtain by theft or robbery or false statements or representations any  
17 money from any fund created or established under this chapter or  
18 any negotiable or nonnegotiable instrument for the payment of  
19 money from these funds, or to recover money erroneously or  
20 illegally obtained by an individual from any fund created or  
21 established under this chapter.

22 (h) (1) Notwithstanding any other provisions of this chapter  
23 (R.S.43:21-1 et seq.), no otherwise eligible individual shall be  
24 denied benefits for any week because the individual is in training  
25 approved under section 236(a)(1) of the "Trade Act of 1974,"  
26 Pub.L.93-618 (19 U.S.C. s.2296 (a)(1)) nor shall the individual be  
27 denied benefits by reason of leaving work to enter this training,  
28 provided the work left is not suitable employment, or because of the  
29 application to any week in training of provisions in this chapter  
30 (R.S.43:21-1 et seq.), or any applicable federal unemployment  
31 compensation law, relating to availability for work, active search  
32 for work, or refusal to accept work.

33 (2) For purposes of this subsection (h), the term "suitable"  
34 employment means, with respect to an individual, work of a  
35 substantially equal or higher skill level than the individual's past  
36 adversely affected employment, as defined for purposes of the  
37 "Trade Act of 1974," Pub.L.93-618 (19 U.S.C. s.2101 et seq.) and  
38 wages for this work at not less than 80% of the individual's average  
39 weekly wage, as determined for the purposes of the "Trade Act of  
40 1974."

41 (i) For benefit years commencing after June 30, 1984, for any  
42 week in which the individual is a student in full attendance at, or on  
43 vacation from, an educational institution, as defined in subsection  
44 (y) of R.S.43:21-19; except that this subsection shall not apply to  
45 any individual attending a training program approved by the  
46 division to enhance the individual's employment opportunities, as  
47 defined under subsection (c) of R.S.43:21-4; nor shall this  
48 subsection apply to any individual who, during the individual's base

1 year, earned sufficient wages, as defined under subsection (e) of  
2 R.S.43:21-4, while attending an educational institution during  
3 periods other than established and customary vacation periods or  
4 holiday recesses at the educational institution, to establish a claim  
5 for benefits. For purposes of this subsection, an individual shall be  
6 treated as a full-time student for any period:

7 (1) During which the individual is enrolled as a full-time student  
8 at an educational institution, or

9 (2) Which is between academic years or terms, if the individual  
10 was enrolled as a full-time student at an educational institution for  
11 the immediately preceding academic year or term.

12 (j) Notwithstanding any other provisions of this chapter  
13 (R.S.43:21-1 et seq.), no otherwise eligible individual shall be  
14 denied benefits because the individual left work or was discharged  
15 due to circumstances resulting from the individual being a victim of  
16 domestic violence as defined in section 3 of P.L.1991, c.261  
17 (C.2C:25-19). No employer's account shall be charged for the  
18 payment of benefits to an individual who left work due to  
19 circumstances resulting from the individual being a victim of  
20 domestic violence.

21 For the purposes of this subsection (j), the individual shall be  
22 treated as being a victim of domestic violence if the individual  
23 provides one or more of the following:

24 (1) A restraining order or other documentation of equitable  
25 relief issued by a court of competent jurisdiction;

26 (2) A police record documenting the domestic violence;

27 (3) Documentation that the perpetrator of the domestic violence  
28 has been convicted of one or more of the offenses enumerated in  
29 section 3 of P.L.1991, c.261 (C.2C:25-19);

30 (4) Medical documentation of the domestic violence;

31 (5) Certification from a certified Domestic Violence Specialist  
32 or the director of a designated domestic violence agency that the  
33 individual is a victim of domestic violence; or

34 (6) Other documentation or certification of the domestic  
35 violence provided by a social worker, member of the clergy, shelter  
36 worker or other professional who has assisted the individual in  
37 dealing with the domestic violence.

38 For the purposes of this subsection (j):

39 "Certified Domestic Violence Specialist" means a person who  
40 has fulfilled the requirements of certification as a Domestic  
41 Violence Specialist established by the New Jersey Association of  
42 Domestic Violence Professionals; and "designated domestic  
43 violence agency" means a county-wide organization with a primary  
44 purpose to provide services to victims of domestic violence, and  
45 which provides services that conform to the core domestic violence  
46 services profile as defined by the Division of Youth and Family  
47 Services in the Department of Children and Families and is under

1 contract with the division for the express purpose of providing such  
2 services.

3 (k) Notwithstanding any other provisions of this chapter (R.S.  
4 43:21-1 et seq.), no otherwise eligible individual shall be denied  
5 benefits for any week in which the individual left work voluntarily  
6 and without good cause attributable to the work, if the individual  
7 left work to accompany his or her spouse who is an active member  
8 of the United States Armed Forces, as defined in N.J.S.38A:1-1(g),  
9 to a new place of residence outside the State, due to the armed  
10 forces member's transfer to a new assignment in a different  
11 geographical location outside the State, and the individual moves to  
12 the new place of residence not more than nine months after the  
13 spouse is transferred, and upon arrival at the new place of residence  
14 the individual was in all respects available for suitable work. No  
15 employer's account shall be charged for the payment of benefits to  
16 an individual who left work under the circumstances contained in  
17 this subsection (k), except that this shall not be construed as  
18 relieving the State of New Jersey and any other governmental entity  
19 or instrumentality or nonprofit organization electing or required to  
20 make payments in lieu of contributions from its responsibility to  
21 make all benefit payments otherwise required by law and from  
22 being charged for those benefits as otherwise required by law.  
23 (cf: P.L.2010, c.37, s.2)

24

25 2. This act shall take effect immediately.

26

27

28

#### STATEMENT

29

30 This bill provides that an individual is not disqualified from  
31 unemployment insurance (UI) benefits for voluntarily leaving work  
32 if the individual leaves work with one employer to accept from  
33 another employer employment which commences not more than  
34 seven days after the individual leaves employment with the first  
35 employer, and the employment with the second employer has  
36 weekly hours or pay not less than the hours or pay of the  
37 employment of the first employer, except that if the individual  
38 notifies the first employer that the individual will leave employment  
39 on a specified date and the first employer terminates the individual  
40 before that date, the seven-day period will commence from the  
41 specified date.

42 Current law, R.S.43:21-5(a), disqualifies any individual who  
43 voluntarily leaves a job from receiving UI benefits and requires the  
44 individual to become reemployed and work at least eight weeks,  
45 earning at least 10 times the individual's weekly UI benefit rate,  
46 before again being eligible for UI benefits. This bill would make an  
47 exception from that requirement for an individual who leaves one  
48 job to accept a subsequent job at least equal in hours or pay, but is

1 laid off from the subsequent job. The UI laws of 26 states, and the  
2 regulations of five other states, treat accepting other work as good  
3 cause for leaving work, and do not disqualify workers from UI  
4 benefits for doing so.

5 Another portion of current law, R.S.43:21-7(c)(1), provides that  
6 an employer's UI account is not charged for UI benefits paid to an  
7 individual if the individual's employment with the employer ended  
8 in any way which would have disqualified the individual from UI  
9 benefits if the individual had applied for benefits at the time when  
10 the employment ended, including if the individual voluntarily left  
11 work with that employer without good cause attributable to that  
12 work. Therefore, under those provisions of the current law, that  
13 employer's account would not be charged when the individual  
14 leaves work with that employer to accept employment from another  
15 employer, and the individual is, pursuant to the provisions of this  
16 bill, paid UI benefits after being laid off by the subsequent  
17 employer, even if the first employer paid wages to the individual  
18 during the individual's base year.

# ASSEMBLY LABOR COMMITTEE

## STATEMENT TO

### ASSEMBLY, No. 3425

# STATE OF NEW JERSEY

DATED: SEPTEMBER 11, 2014

The Assembly Labor Committee reports favorably Assembly Bill No. 3425.

This bill provides that an individual is not disqualified from unemployment insurance (UI) benefits for voluntarily leaving work if the individual leaves work with one employer to accept from another employer employment which commences not more than seven days after the individual leaves employment with the first employer, and the employment with the second employer has weekly hours or pay not less than the hours or pay of the employment of the first employer, except that if the individual notifies the first employer that the individual will leave employment on a specified date and the first employer terminates the individual before that date, the seven-day period will commence from the specified date.

Current law, R.S.43:21-5(a), disqualifies any individual who voluntarily leaves a job from receiving UI benefits and requires the individual to become reemployed and work at least eight weeks, earning at least 10 times the individual's weekly UI benefit rate, before again being eligible for UI benefits. This bill would make an exception from that requirement for an individual who leaves one job to accept a subsequent job at least equal in hours or pay, but is laid off from the subsequent job. The UI laws of 26 states, and the regulations of five other states, treat accepting other work as good cause for leaving work, and do not disqualify workers from UI benefits for doing so.

Another portion of current law, R.S.43:21-7(c)(1), provides that an employer's UI account is not charged for UI benefits paid to an individual if the individual's employment with the employer ended in any way which would have disqualified the individual from UI benefits if the individual had applied for benefits at the time when the employment ended, including if the individual voluntarily left work with that employer without good cause attributable to that work. Therefore, under those provisions of the current law, that employer's account would not be charged when the individual leaves work with that employer to accept employment from another employer, and the individual is, pursuant to the provisions of this bill, paid UI benefits after being laid off by the subsequent employer, even if the first



employer paid wages to the individual during the individual's base year.

Fiscal Impact Statement:

The Office of Legislative Services (OLS) estimates that this bill may result in a very slight increase in unemployment compensation insurance (UI) claims and thus, may result in an indeterminate minimal expenditure increase from the State unemployment compensation insurance trust fund (UI trust fund).

The OLS does not have access to the number of individuals who would qualify for UI benefits pursuant to the new terms established by this bill, nor does the OLS have information on those individuals' weekly benefit rate or the duration of those benefits. The Department of Labor and Workforce Development did deny 35,083 claims for unemployment insurance due to the claimant voluntarily quitting their employment in 2013. However, there is no data available to the OLS to quantify the number of these claimants who had secured future employment and then were subsequently laid off from the new employment. The OLS estimates that there may be some individuals who are currently denied benefits that would be paid benefits under this bill, and therefore the UI trust fund will incur a cost to pay these benefits. However, it is not possible to quantify with any certainty the number of individuals, the amount of their benefit or the duration of their benefit and thus, the cost of this legislation.

**LEGISLATIVE FISCAL ESTIMATE**  
**ASSEMBLY, No. 3425**  
**STATE OF NEW JERSEY**  
**216th LEGISLATURE**

DATED: DECEMBER 15, 2014

**SUMMARY**

**Synopsis:** Concerns UI benefits for claimants who leave work to accept other work and are laid off from subsequent work.

**Type of Impact:** Indeterminate minimal expenditure increase, unemployment insurance compensation trust fund (UI trust fund).

**Agencies Affected:** Department of Labor and Workforce Development.

<b>Fiscal Impact</b>	
<b>State Cost</b>	
<b>UI trust fund</b>	Indeterminate minimal expenditure increase

- The Office of Legislative Services (OLS) estimates that Assembly Bill No. 3425 may result in an indeterminate minimal increase in claims for unemployment insurance (UI) compensation benefits and thus may increase expenditures from the UI trust fund to pay these benefits.

**BILL DESCRIPTION**

Assembly Bill No. 3425 of 2014 provides that an individual is not disqualified from UI benefits for voluntarily leaving work if the individual leaves work with one employer to accept from another employer employment which commences not more than seven days after the individual leaves employment with the first employer, and the employment with the second employer has weekly hours or pay not less than the hours or pay of the employment with the first employer. Furthermore, the bill provides that if an employee is terminated by the first employer after the employee has given notice of resignation, the employee will still be eligible for benefits. The seven day period will commence from the date specified in the notice of resignation.

Current law disqualifies any worker who voluntarily leaves a job from receiving UI benefits and requires the worker to become reemployed and work at least eight weeks, earning at least 10 times the worker's weekly UI benefit rate, before again being eligible for UI benefits. This bill would make an exception from that requirement for a worker who leaves one job to accept a subsequent job at least equal in hours or pay, but is laid off from the subsequent job.

The UI laws of 26 states, and the regulations of five other states, treat accepting other work as good cause for leaving work, and do not disqualify workers from benefits for doing so.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The OLS estimates that Assembly Bill No. 3425 may result in an indeterminate minimal increase in claims for UI benefits and thus may increase expenditures from the UI trust fund to pay these claims.

The OLS does not have access to the number of individuals who would qualify for UI benefits pursuant to the new terms established by this bill, nor does the OLS have information on those individuals' weekly benefit rate or the duration of those benefits. The Department of Labor and Workforce Development denied 35,083 claims for unemployment insurance due to the claimant voluntarily quitting their employment in 2013. However, there is no data available to the OLS to quantify the number of these claimants who had secured future employment and then were subsequently laid off from the new employment. The OLS estimates that there may be some individuals who are currently denied benefits who would be paid benefits under this bill, resulting in a cost to the UI trust fund. However, it is not possible to quantify with any certainty the number of individuals, the amount of their benefit or the duration of their benefit and thus, the cost of this legislation.

*Section:* Commerce, Labor and Industry  
*Analyst:* Jordan M. DiGiovanni  
Assistant Fiscal Analyst  
*Approved:* David J. Rosen  
Legislative Budget and Finance Officer

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

# ASSEMBLY APPROPRIATIONS COMMITTEE

## STATEMENT TO

### ASSEMBLY, No. 3425

# STATE OF NEW JERSEY

DATED: FEBRUARY 5, 2015

The Assembly Appropriations Committee reports favorably Assembly Bill No. 3425.

This bill provides that an individual is not disqualified from unemployment insurance (UI) benefits for voluntarily leaving work if the individual leaves work with one employer to accept from another employer employment which commences not more than seven days after the individual leaves employment with the first employer, and the employment with the second employer has weekly hours or pay not less than the hours or pay of the employment of the first employer, except that if the individual notifies the first employer that the individual will leave employment on a specified date and the first employer terminates the individual before that date, the seven-day period will commence from the specified date.

Current law, R.S.43:21-5(a), disqualifies an individual who voluntarily leaves a job from receiving UI benefits and requires the individual to become reemployed and work at least eight weeks, earning at least 10 times the individual's weekly UI benefit rate, before again being eligible for UI benefits. This bill makes an exception from that requirement for an individual who leaves one job to accept a subsequent job at least equal in hours or pay, but is laid off from the subsequent job. The UI laws of 26 states, and the regulations of five other states, treat accepting other work as good cause for leaving work, and do not disqualify workers from UI benefits for doing so.

Another portion of current law, R.S.43:21-7(c) (1), provides that an employer's UI account is not charged for UI benefits paid to an individual if the individual's employment with the employer ended in any way which would have disqualified the individual from UI benefits if the individual had applied for benefits at the time when the employment ended, including if the individual voluntarily left work with that employer without good cause attributable to that work. Therefore, under those provisions of the current law, that employer's account would not be charged if the individual leaves work with that employer to accept employment from another employer, and the individual is, pursuant to the provisions of this bill, paid UI benefits after being laid off by the subsequent employer, even if the first employer paid wages to the individual during the individual's base year.

As reported, this bill is identical to Senate Bill No. 2082 (SCS), as also reported by the committee.

FISCAL IMPACT:

The Office of Legislative Services (OLS) estimates that this bill may result in a very slight increase in unemployment compensation insurance (UI) claims and thus, may result in an indeterminate minimal expenditure increase from the State unemployment compensation insurance trust fund (UI trust fund).

The OLS does not have access to the number of individuals who would qualify for UI benefits pursuant to the new terms established by this bill, nor does the OLS have information on those individuals' weekly benefit rate or the duration of those benefits. The Department of Labor and Workforce Development did deny 35,083 claims for unemployment insurance due to the claimant voluntarily quitting the claimant's employment in 2013. However, there are no data available to the OLS to quantify the number of these claimants who had secured future employment and then were subsequently laid off from the new employment. The OLS estimates that there may be some individuals who are currently denied benefits that would be paid benefits under this bill, and therefore the UI trust fund will incur a cost to pay these benefits. However, it is not possible to quantify with any certainty the number of individuals, the amount of their benefit or the duration of their benefit and thus, the cost of this legislation.