

43:21-6

LEGISLATIVE HISTORY CHECKLIST

Compiled by the NJ State Law Library

LAWS OF: 2015 **CHAPTER:** 42

NJSA: 43:21-6 (Concerns DOLWD personnel access to unemployment claims receipt and processing system)

BILL NO: S2414 (Substituted for A3155)

SPONSOR(S) Madden and others

DATE INTRODUCED: September 18, 2014

COMMITTEE: **ASSEMBLY:** ---
 SENATE: Labor

AMENDED DURING PASSAGE: No

DATE OF PASSAGE: **ASSEMBLY:** February 23, 2015
 SENATE: February 5, 2015

DATE OF APPROVAL: May 4, 2015

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (Introduced version of bill enacted)

S2414

SPONSOR'S STATEMENT: (Begins on page 8 of introduced bill)	Yes
COMMITTEE STATEMENT:	ASSEMBLY: No
	SENATE: Yes

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT:	No
LEGISLATIVE FISCAL ESTIMATE:	No

A3155

SPONSOR'S STATEMENT: (Begins on page 8 of introduced bill)	Yes
COMMITTEE STATEMENT:	ASSEMBLY: Yes
	SENATE: No
FLOOR AMENDMENT STATEMENT:	No
LEGISLATIVE FISCAL ESTIMATE:	No

(continued)

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: No

FOLLOWING WERE PRINTED:

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext.103 or <mailto:refdesk@njstatelib.org>

REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: Yes

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

LAW/RWH

P.L.2015, CHAPTER 42, *approved May 4, 2015*

Senate, No. 2414

1 AN ACT concerning the Department of Labor and Workforce
2 Development unemployment claims receipt and processing
3 system and amending R.S.43:21-6.
4

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

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

9 43:21-6. (a) Filing. (1) Claims for benefits shall be made in
10 accordance with such regulations as the Director of the Division of
11 Unemployment and Temporary Disability Insurance of the
12 Department of Labor and Workforce Development of the State of
13 New Jersey may approve. Each employer shall post and maintain
14 on his premises printed notices of his subject status, of such design,
15 in such numbers and at such places as the director of the division
16 may determine to be necessary to give notice thereof to persons in
17 the employer's service. Each employer shall give to each individual
18 at the time he becomes unemployed, for any reason, whether the
19 unemployment is permanent or temporary, a printed copy of benefit
20 instructions. The benefit instructions given to the individual shall
21 include, but not be limited to, the following information: (A) the
22 date upon which the individual becomes unemployed, and, in the
23 case that the unemployment is temporary, to the extent possible, the
24 date upon which the individual is expected to be recalled to work;
25 and (B) that the individual may lose some or all of the benefits to
26 which he is entitled if he fails to file a claim in a timely manner.
27 Both the aforesaid notices and instructions, including information
28 detailing the time sensitivity of filing a claim, shall be supplied by
29 the division to employers without cost to them. Nothing in this
30 section shall be construed so as to require an employer to re-hire an
31 individual formerly in the employer's service.

32 (2) Any claimant, except for a claimant who has, for any period
33 during his base year, served in the military, worked for the federal
34 government, or worked outside the State of New Jersey, may
35 choose to certify, cancel or close his claim for unemployment
36 insurance benefits at any time, 24 hours a day and seven days a
37 week, via the Internet on a website developed by the division;
38 however, any claim that is certified, cancelled or closed after 7:00
39 PM will not be processed by the division until the next scheduled
40 posting date.

41 (b) (1) Procedure for making initial determinations with respect
42 to benefit years commencing on or after January 1, 1953.

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 A representative or representatives designated by the director of
2 the division and hereafter referred to as a "deputy" shall promptly
3 examine the claim, and shall notify the most recent employing unit
4 and, successively as necessary, each employer in inverse
5 chronological order during the base year. Such notification shall
6 require said employing unit and employer to furnish such
7 information to the deputy as may be necessary to determine the
8 claimant's eligibility and his benefit rights with respect to the
9 employer in question.

10 In his discretion, the director may appoint special deputies to
11 make initial or subsequent determinations under subsection (f) of
12 R.S.43:21-4 and subsection (d) of R.S.43:21-5.

13 If any employer or employing unit fails to respond to the request
14 for information within 10 days after the mailing, or communicating
15 by electronic means, of such request, the deputy shall rely entirely
16 on information from other sources, including an affidavit to the best
17 of the knowledge and belief of the claimant with respect to his
18 wages and time worked. Except in the event of fraud, if it is
19 determined that any information in such affidavit is erroneous, no
20 penalty shall be imposed on the claimant.

21 The deputy shall promptly make an initial determination based
22 upon the available information. The initial determination shall
23 show the weekly benefit amount payable, the maximum duration of
24 benefits with respect to the employer to whom the determination
25 relates, and the ratio of benefits chargeable to the employer's
26 account for benefit years commencing on or after July 1, 1986, and
27 also shall show whether the claimant is ineligible or disqualified for
28 benefits under the initial determination. The claimant and the
29 employer whose account may be charged for benefits payable
30 pursuant to said determination shall be promptly notified thereof.

31 Whenever an initial determination is based upon information
32 other than that supplied by an employer because such employer
33 failed to respond to the deputy's request for information, such initial
34 determination and any subsequent determination thereunder shall be
35 incontestable by the noncomplying employer, as to any charges to
36 his employer's account because of benefits paid prior to the close of
37 the calendar week following the receipt of his reply. Such initial
38 determination shall be altered if necessary upon receipt of
39 information from the employer, and any benefits paid or payable
40 with respect to weeks occurring subsequent to the close of the
41 calendar week following the receipt of the employer's reply shall be
42 paid in accordance with such altered initial determination.

43 The deputy shall issue a separate initial benefit determination
44 with respect to each of the claimant's base year employers, starting
45 with the most recent employer and continuing as necessary in the
46 inverse chronological order of the claimant's last date of
47 employment with each such employer. If an appeal is taken from
48 an initial determination, as hereinafter provided, by any employer

1 other than the first chargeable base year employer or for benefit
2 years commencing on or after July 1, 1986, that employer from
3 whom the individual was most recently separated, then such appeal
4 shall be limited in scope to include only one or more of the
5 following matters:

6 (A) The correctness of the benefit payments authorized to be
7 made under the determination;

8 (B) Fraud in connection with the claim pursuant to which the
9 initial determination is issued;

10 (C) The refusal of suitable work offered by the chargeable
11 employer filing the appeal;

12 (D) Gross misconduct as provided in subsection (b) of
13 R.S.43:21-5.

14 The amount of benefits payable under an initial determination
15 may be reduced or canceled if necessary to avoid payment of
16 benefits for a number of weeks in excess of the maximum specified
17 in subsection (d) of R.S.43:21-3.

18 Unless the claimant or any interested party, within seven
19 calendar days after delivery of notification of an initial
20 determination or within 10 calendar days after such notification was
21 mailed to his or their last-known address and addresses, files an
22 appeal from such decision, such decision shall be final and benefits
23 shall be paid or denied in accordance therewith, except for such
24 determinations as may be altered in benefit amounts or duration as
25 provided in this paragraph. Benefits payable for periods pending an
26 appeal and not in dispute shall be paid as such benefits accrue;
27 provided that insofar as any such appeal is or may be an appeal
28 from a determination to the effect that the claimant is disqualified
29 under the provisions of R.S.43:21-5 or any amendments thereof or
30 supplements thereto, benefits pending determination of the appeal
31 shall be withheld only for the period of disqualification as provided
32 for in said section, and notwithstanding such appeal, the benefits
33 otherwise provided by this act shall be paid for the period
34 subsequent to such period of disqualification; and provided, also,
35 that if there are two determinations of entitlement, benefits for the
36 period covered by such determinations shall be paid regardless of
37 any appeal which may thereafter be taken, but no employer's
38 account shall be charged with benefits so paid, if the decision is
39 finally reversed.

40 (2) Procedure for making initial determinations in certain cases
41 of concurrent employment, with respect to benefit years
42 commencing on or after January 1, 1953 and prior to benefit years
43 commencing on or after July 1, 1986.

44 Notwithstanding any other provisions of this Title, if an
45 individual shows to the satisfaction of the deputy that there were at
46 least 13 weeks in his base period in each of which he earned wages
47 from two or more employers totaling \$30.00 or more but in each of
48 which there was no single employer from whom he earned as much

1 as \$100.00, then such individual's claim shall be determined in
2 accordance with the special provisions of this paragraph. In such
3 case, the deputy shall determine the individual's eligibility for
4 benefits, his average weekly wage, weekly benefit rate and
5 maximum total benefits as if all his base year employers were a
6 single employer. Such determination shall apportion the liability
7 for benefit charges thereunder to the individual's several base year
8 employers so that each employer's maximum liability for charges
9 thereunder bears approximately the same relation to the maximum
10 total benefits allowed as the wages earned by the individual from
11 each employer during the base year bears to his total wages earned
12 from all employers during the base year. Such initial determination
13 shall also specify the individual's last date of employment within
14 the base year with respect to each base year employer, and such
15 employers shall be charged for benefits paid under said initial
16 determination in the inverse chronological order of such last date of
17 employment.

18 (3) Procedure for making subsequent determinations with
19 respect to benefit years commencing on or after January 1, 1953.
20 The deputy shall make determinations with respect to claims for
21 benefits thereafter in the course of the benefit year, in accordance
22 with any initial determination allowing benefits, and under which
23 benefits have not been exhausted, and each notification of a benefit
24 payment shall be a notification of an affirmative subsequent
25 determination. The allowance of benefits by the deputy on any such
26 determination, or the denial of benefits by the deputy on any such
27 determination, shall be appealable in the same manner and under
28 the same limitations as is provided in the case of initial
29 determinations.

30 (c) Appeals. Unless such appeal is withdrawn, an appeal
31 tribunal, after affording the parties reasonable opportunity for fair
32 hearing, shall affirm or modify the findings of fact and the
33 determination. The parties shall be duly notified of such tribunal's
34 decision, together with its reasons therefor, which shall be deemed
35 to be the final decision of the board of review, unless further appeal
36 is initiated pursuant to subsection (e) of this section within 10 days
37 after the date of notification or mailing of the decision for any
38 decision made on or before December 1, 2010, or within 20 days
39 after the date of notification or mailing of such decision for any
40 decision made after December 1, 2010.

41 (d) Appeal tribunals. To hear and decide disputed benefit
42 claims, including appeals from determinations with respect to
43 demands for refunds of benefits under subsection (d) of R.S.43:21-
44 16, the director with the approval of the Commissioner of Labor and
45 Workforce Development shall establish impartial appeal tribunals
46 consisting of a salaried body of examiners under the supervision of
47 a Chief Appeals Examiner, all of whom shall be appointed pursuant

1 to the provisions of Title 11A of the New Jersey Statutes, Civil
2 Service and other applicable statutes.

3 (e) Board of review. The board of review may on its own
4 motion affirm, modify, or set aside any decision of an appeal
5 tribunal on the basis of the evidence previously submitted in such
6 case, or direct the taking of additional evidence, or may permit any
7 of the parties to such decision to initiate further appeals before it.
8 The board of review shall permit such further appeal by any of the
9 parties interested in a decision of an appeal tribunal which is not
10 unanimous and from any determination which has been overruled or
11 modified by any appeal tribunal. The board of review may remove
12 to itself or transfer to another appeal tribunal the proceedings on
13 any claim pending before an appeal tribunal. Any proceedings so
14 removed to the board of review shall be heard by a quorum thereof
15 in accordance with the requirements of subsection (c) of this
16 section. The board of review shall promptly notify the interested
17 parties of its findings and decision.

18 (f) Procedure. The manner in which disputed benefit claims,
19 and appeals from determinations with respect to (1) claims for
20 benefits and (2) demands for refunds of benefits under subsection
21 (d) of R.S.43:21-16 shall be presented, the reports thereon required
22 from the claimant and from employers, and the conduct of hearings
23 and appeals shall be in accordance with rules prescribed by the
24 board of review for determining the rights of the parties, whether or
25 not such rules conform to common law or statutory rules of
26 evidence and other technical rules of procedure. A full and
27 complete record shall be kept of all proceedings in connection with
28 a disputed claim. All testimony at any hearing upon a disputed
29 claim shall be recorded, but need not be transcribed unless the
30 disputed claim is further appealed.

31 (g) Witness fees. Witnesses subpoenaed pursuant to this section
32 shall be allowed fees at a rate fixed by the director. Such fees and
33 all expenses of proceedings involving disputed claims shall be
34 deemed a part of the expense of administering this chapter
35 (R.S.43:21-1 et seq.).

36 (h) Court review. Any decision of the board of review shall
37 become final as to any party upon the mailing of a copy thereof to
38 such party or to his attorney, or upon the mailing of a copy thereof
39 to such party at his last-known address. The Division of
40 Unemployment and Temporary Disability Insurance and any party
41 to a proceeding before the board of review may secure judicial
42 review of the final decision of the board of review. Any party not
43 joining in the appeal shall be made a defendant; the board of review
44 shall be deemed to be a party to any judicial action involving the
45 review of, or appeal from, any of its decisions, and may be
46 represented in any such judicial action by any qualified attorney,
47 who may be a regular salaried employee of the board of review or

1 has been designated by it for that purpose, or, at the board of
2 review's request, by the Attorney General.

3 (i) Failure to give notice. The failure of any public officer or
4 employee at any time heretofore or hereafter to give notice of
5 determination or decision required in subsections (b), (c) and (e) of
6 this section, as originally passed or amended, shall not relieve any
7 employer's account of any charge by reason of any benefits paid,
8 unless and until that employer can show to the satisfaction of the
9 director of the division that the said benefits, in whole or in part,
10 would not have been charged or chargeable to his account had such
11 notice been given. Any determination hereunder by the director
12 shall be subject to court review.

13 (j) With respect to benefit payments made on or after October
14 22, 2013, an employer's account shall not be relieved of charges
15 related to a benefit payment that was made erroneously from the
16 division if it is determined that:

17 (1) The erroneous benefit payment was made because the
18 employer, or an agent of the employer, failed to respond in a timely
19 or adequate manner to a request from the division for information
20 related to the claim for benefits; and

21 (2) The employer, or an agent of the employer, has established a
22 pattern of failing to respond in a timely or adequate manner to
23 requests from the division for information related to claims for
24 benefits.

25 Determinations of the division prohibiting the relief of charges
26 pursuant to this subsection shall be subject to appeal in the same
27 manner as other determinations of the division related to the
28 charging of employer accounts.

29 For purposes of subsection (j) of this section:

30 "Erroneous benefit payment" means a benefit payment that,
31 except for the failure by the employer, or an agent of the employer,
32 to respond in a timely or adequate manner to a request from the
33 division for information with respect to the claim for benefits,
34 would not have been made; and

35 "Pattern of failing" means repeated documented failure on the
36 part of the employer, or an agent of the employer, to respond to
37 requests from the division to the employer or employer's agent for
38 information related to a claim for benefits, except that an employer,
39 or an agent of an employer, shall not be determined to have engaged
40 in a "pattern of failing" if the number of failures to respond to
41 requests from the division for information related to claims for
42 benefits during the previous 365 calendar days is less than three, or
43 if the number of failures is less than two percent of the number of
44 requests from the division, whichever is greater.

45 (k) The Department of Labor and Workforce Development shall
46 establish and maintain a procedure by which personnel access rights
47 to the department's primary system for unemployment claims
48 receipt and processing are comprehensively reviewed every

1 calendar quarter. The procedure shall include an evaluation of
2 access needs to the primary unemployment claims receipt and
3 processing system for all department personnel and the adjustment,
4 addition, or deletion of access rights for department personnel based
5 on the quarterly review.

6 (cf: P.L.2013, c.148, s.1)

7

8 2. This act shall take effect immediately.

9

10

11

STATEMENT

12

13 This bill requires the Department of Labor and Workforce
14 Development to establish and maintain a procedure by which
15 personnel access rights to the department's primary system for
16 unemployment claims receipt and processing are comprehensively
17 reviewed every calendar quarter.

18 The Office of the State Auditor conducted an audit on the
19 department's Local Office Online Payment System (LOOPS), the
20 department's current claims receipt and processing system, for the
21 period August 8, 2011 through May 31, 2013. The State Auditor's
22 report recommended that the department should periodically review
23 personnel access rights to LOOPS in order to reduce the risk of
24 errors, fraud, misuse, or unauthorized alteration in the receipt of
25 unemployment claims and the processing of unemployment
26 payments.

27 The bill requires the department to establish and maintain a
28 procedure to comprehensively review the system every calendar
29 quarter. The procedure must include an evaluation of access needs
30 to the primary unemployment claims receipt and processing system
31 for all department personnel and the adjustment, addition, or
32 deletion of access rights for department personnel based on the
33 quarterly review.

34

35

36

37

38 Concerns DOLWD personnel access to unemployment claims
39 receipt and processing system.

SENATE, No. 2414

STATE OF NEW JERSEY 216th LEGISLATURE

INTRODUCED SEPTEMBER 18, 2014

Sponsored by:

Senator FRED H. MADDEN, JR.

District 4 (Camden and Gloucester)

Senator JAMES BEACH

District 6 (Burlington and Camden)

Assemblyman WAYNE P. DEANGELO

District 14 (Mercer and Middlesex)

Assemblyman JAY WEBBER

District 26 (Essex, Morris and Passaic)

Co-Sponsored by:

Senator Greenstein

SYNOPSIS

Concerns DOLWD personnel access to unemployment claims receipt and processing system.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 2/24/2015)

S2414 MADDEN, BEACH

2

1 AN ACT concerning the Department of Labor and Workforce
2 Development unemployment claims receipt and processing
3 system and amending R.S.43:21-6.
4

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

8 1. R.S.43:21-6 is amended to read as follows:

9 43:21-6. (a) Filing. (1) Claims for benefits shall be made in
10 accordance with such regulations as the Director of the Division of
11 Unemployment and Temporary Disability Insurance of the
12 Department of Labor and Workforce Development of the State of
13 New Jersey may approve. Each employer shall post and maintain
14 on his premises printed notices of his subject status, of such design,
15 in such numbers and at such places as the director of the division
16 may determine to be necessary to give notice thereof to persons in
17 the employer's service. Each employer shall give to each individual
18 at the time he becomes unemployed, for any reason, whether the
19 unemployment is permanent or temporary, a printed copy of benefit
20 instructions. The benefit instructions given to the individual shall
21 include, but not be limited to, the following information: (A) the
22 date upon which the individual becomes unemployed, and, in the
23 case that the unemployment is temporary, to the extent possible, the
24 date upon which the individual is expected to be recalled to work;
25 and (B) that the individual may lose some or all of the benefits to
26 which he is entitled if he fails to file a claim in a timely manner.
27 Both the aforesaid notices and instructions, including information
28 detailing the time sensitivity of filing a claim, shall be supplied by
29 the division to employers without cost to them. Nothing in this
30 section shall be construed so as to require an employer to re-hire an
31 individual formerly in the employer's service.

32 (2) Any claimant, except for a claimant who has, for any period
33 during his base year, served in the military, worked for the federal
34 government, or worked outside the State of New Jersey, may
35 choose to certify, cancel or close his claim for unemployment
36 insurance benefits at any time, 24 hours a day and seven days a
37 week, via the Internet on a website developed by the division;
38 however, any claim that is certified, cancelled or closed after 7:00
39 PM will not be processed by the division until the next scheduled
40 posting date.

41 (b) (1) Procedure for making initial determinations with respect
42 to benefit years commencing on or after January 1, 1953.

43 A representative or representatives designated by the director of
44 the division and hereafter referred to as a "deputy" shall promptly
45 examine the claim, and shall notify the most recent employing unit

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 and, successively as necessary, each employer in inverse
2 chronological order during the base year. Such notification shall
3 require said employing unit and employer to furnish such
4 information to the deputy as may be necessary to determine the
5 claimant's eligibility and his benefit rights with respect to the
6 employer in question.

7 In his discretion, the director may appoint special deputies to
8 make initial or subsequent determinations under subsection (f) of
9 R.S.43:21-4 and subsection (d) of R.S.43:21-5.

10 If any employer or employing unit fails to respond to the request
11 for information within 10 days after the mailing, or communicating
12 by electronic means, of such request, the deputy shall rely entirely
13 on information from other sources, including an affidavit to the best
14 of the knowledge and belief of the claimant with respect to his
15 wages and time worked. Except in the event of fraud, if it is
16 determined that any information in such affidavit is erroneous, no
17 penalty shall be imposed on the claimant.

18 The deputy shall promptly make an initial determination based
19 upon the available information. The initial determination shall
20 show the weekly benefit amount payable, the maximum duration of
21 benefits with respect to the employer to whom the determination
22 relates, and the ratio of benefits chargeable to the employer's
23 account for benefit years commencing on or after July 1, 1986, and
24 also shall show whether the claimant is ineligible or disqualified for
25 benefits under the initial determination. The claimant and the
26 employer whose account may be charged for benefits payable
27 pursuant to said determination shall be promptly notified thereof.

28 Whenever an initial determination is based upon information
29 other than that supplied by an employer because such employer
30 failed to respond to the deputy's request for information, such initial
31 determination and any subsequent determination thereunder shall be
32 incontestable by the noncomplying employer, as to any charges to
33 his employer's account because of benefits paid prior to the close of
34 the calendar week following the receipt of his reply. Such initial
35 determination shall be altered if necessary upon receipt of
36 information from the employer, and any benefits paid or payable
37 with respect to weeks occurring subsequent to the close of the
38 calendar week following the receipt of the employer's reply shall be
39 paid in accordance with such altered initial determination.

40 The deputy shall issue a separate initial benefit determination
41 with respect to each of the claimant's base year employers, starting
42 with the most recent employer and continuing as necessary in the
43 inverse chronological order of the claimant's last date of
44 employment with each such employer. If an appeal is taken from
45 an initial determination, as hereinafter provided, by any employer
46 other than the first chargeable base year employer or for benefit
47 years commencing on or after July 1, 1986, that employer from
48 whom the individual was most recently separated, then such appeal

1 shall be limited in scope to include only one or more of the
2 following matters:

3 (A) The correctness of the benefit payments authorized to be
4 made under the determination;

5 (B) Fraud in connection with the claim pursuant to which the
6 initial determination is issued;

7 (C) The refusal of suitable work offered by the chargeable
8 employer filing the appeal;

9 (D) Gross misconduct as provided in subsection (b) of
10 R.S.43:21-5.

11 The amount of benefits payable under an initial determination
12 may be reduced or canceled if necessary to avoid payment of
13 benefits for a number of weeks in excess of the maximum specified
14 in subsection (d) of R.S.43:21-3.

15 Unless the claimant or any interested party, within seven
16 calendar days after delivery of notification of an initial
17 determination or within 10 calendar days after such notification was
18 mailed to his or their last-known address and addresses, files an
19 appeal from such decision, such decision shall be final and benefits
20 shall be paid or denied in accordance therewith, except for such
21 determinations as may be altered in benefit amounts or duration as
22 provided in this paragraph. Benefits payable for periods pending an
23 appeal and not in dispute shall be paid as such benefits accrue;
24 provided that insofar as any such appeal is or may be an appeal
25 from a determination to the effect that the claimant is disqualified
26 under the provisions of R.S.43:21-5 or any amendments thereof or
27 supplements thereto, benefits pending determination of the appeal
28 shall be withheld only for the period of disqualification as provided
29 for in said section, and notwithstanding such appeal, the benefits
30 otherwise provided by this act shall be paid for the period
31 subsequent to such period of disqualification; and provided, also,
32 that if there are two determinations of entitlement, benefits for the
33 period covered by such determinations shall be paid regardless of
34 any appeal which may thereafter be taken, but no employer's
35 account shall be charged with benefits so paid, if the decision is
36 finally reversed.

37 (2) Procedure for making initial determinations in certain cases
38 of concurrent employment, with respect to benefit years
39 commencing on or after January 1, 1953 and prior to benefit years
40 commencing on or after July 1, 1986.

41 Notwithstanding any other provisions of this Title, if an
42 individual shows to the satisfaction of the deputy that there were at
43 least 13 weeks in his base period in each of which he earned wages
44 from two or more employers totaling \$30.00 or more but in each of
45 which there was no single employer from whom he earned as much
46 as \$100.00, then such individual's claim shall be determined in
47 accordance with the special provisions of this paragraph. In such
48 case, the deputy shall determine the individual's eligibility for

1 benefits, his average weekly wage, weekly benefit rate and
2 maximum total benefits as if all his base year employers were a
3 single employer. Such determination shall apportion the liability
4 for benefit charges thereunder to the individual's several base year
5 employers so that each employer's maximum liability for charges
6 thereunder bears approximately the same relation to the maximum
7 total benefits allowed as the wages earned by the individual from
8 each employer during the base year bears to his total wages earned
9 from all employers during the base year. Such initial determination
10 shall also specify the individual's last date of employment within
11 the base year with respect to each base year employer, and such
12 employers shall be charged for benefits paid under said initial
13 determination in the inverse chronological order of such last date of
14 employment.

15 (3) Procedure for making subsequent determinations with
16 respect to benefit years commencing on or after January 1, 1953.
17 The deputy shall make determinations with respect to claims for
18 benefits thereafter in the course of the benefit year, in accordance
19 with any initial determination allowing benefits, and under which
20 benefits have not been exhausted, and each notification of a benefit
21 payment shall be a notification of an affirmative subsequent
22 determination. The allowance of benefits by the deputy on any such
23 determination, or the denial of benefits by the deputy on any such
24 determination, shall be appealable in the same manner and under
25 the same limitations as is provided in the case of initial
26 determinations.

27 (c) Appeals. Unless such appeal is withdrawn, an appeal
28 tribunal, after affording the parties reasonable opportunity for fair
29 hearing, shall affirm or modify the findings of fact and the
30 determination. The parties shall be duly notified of such tribunal's
31 decision, together with its reasons therefor, which shall be deemed
32 to be the final decision of the board of review, unless further appeal
33 is initiated pursuant to subsection (e) of this section within 10 days
34 after the date of notification or mailing of the decision for any
35 decision made on or before December 1, 2010, or within 20 days
36 after the date of notification or mailing of such decision for any
37 decision made after December 1, 2010.

38 (d) Appeal tribunals. To hear and decide disputed benefit
39 claims, including appeals from determinations with respect to
40 demands for refunds of benefits under subsection (d) of R.S.43:21-
41 16, the director with the approval of the Commissioner of Labor and
42 Workforce Development shall establish impartial appeal tribunals
43 consisting of a salaried body of examiners under the supervision of
44 a Chief Appeals Examiner, all of whom shall be appointed pursuant
45 to the provisions of Title 11A of the New Jersey Statutes, Civil
46 Service and other applicable statutes.

47 (e) Board of review. The board of review may on its own
48 motion affirm, modify, or set aside any decision of an appeal

1 tribunal on the basis of the evidence previously submitted in such
2 case, or direct the taking of additional evidence, or may permit any
3 of the parties to such decision to initiate further appeals before it.
4 The board of review shall permit such further appeal by any of the
5 parties interested in a decision of an appeal tribunal which is not
6 unanimous and from any determination which has been overruled or
7 modified by any appeal tribunal. The board of review may remove
8 to itself or transfer to another appeal tribunal the proceedings on
9 any claim pending before an appeal tribunal. Any proceedings so
10 removed to the board of review shall be heard by a quorum thereof
11 in accordance with the requirements of subsection (c) of this
12 section. The board of review shall promptly notify the interested
13 parties of its findings and decision.

14 (f) Procedure. The manner in which disputed benefit claims,
15 and appeals from determinations with respect to (1) claims for
16 benefits and (2) demands for refunds of benefits under subsection
17 (d) of R.S.43:21-16 shall be presented, the reports thereon required
18 from the claimant and from employers, and the conduct of hearings
19 and appeals shall be in accordance with rules prescribed by the
20 board of review for determining the rights of the parties, whether or
21 not such rules conform to common law or statutory rules of
22 evidence and other technical rules of procedure. A full and
23 complete record shall be kept of all proceedings in connection with
24 a disputed claim. All testimony at any hearing upon a disputed
25 claim shall be recorded, but need not be transcribed unless the
26 disputed claim is further appealed.

27 (g) Witness fees. Witnesses subpoenaed pursuant to this section
28 shall be allowed fees at a rate fixed by the director. Such fees and
29 all expenses of proceedings involving disputed claims shall be
30 deemed a part of the expense of administering this chapter
31 (R.S.43:21-1 et seq.).

32 (h) Court review. Any decision of the board of review shall
33 become final as to any party upon the mailing of a copy thereof to
34 such party or to his attorney, or upon the mailing of a copy thereof
35 to such party at his last-known address. The Division of
36 Unemployment and Temporary Disability Insurance and any party
37 to a proceeding before the board of review may secure judicial
38 review of the final decision of the board of review. Any party not
39 joining in the appeal shall be made a defendant; the board of review
40 shall be deemed to be a party to any judicial action involving the
41 review of, or appeal from, any of its decisions, and may be
42 represented in any such judicial action by any qualified attorney,
43 who may be a regular salaried employee of the board of review or
44 has been designated by it for that purpose, or, at the board of
45 review's request, by the Attorney General.

46 (i) Failure to give notice. The failure of any public officer or
47 employee at any time heretofore or hereafter to give notice of
48 determination or decision required in subsections (b), (c) and (e) of

1 this section, as originally passed or amended, shall not relieve any
2 employer's account of any charge by reason of any benefits paid,
3 unless and until that employer can show to the satisfaction of the
4 director of the division that the said benefits, in whole or in part,
5 would not have been charged or chargeable to his account had such
6 notice been given. Any determination hereunder by the director
7 shall be subject to court review.

8 (j) With respect to benefit payments made on or after October
9 22, 2013, an employer's account shall not be relieved of charges
10 related to a benefit payment that was made erroneously from the
11 division if it is determined that:

12 (1) The erroneous benefit payment was made because the
13 employer, or an agent of the employer, failed to respond in a timely
14 or adequate manner to a request from the division for information
15 related to the claim for benefits; and

16 (2) The employer, or an agent of the employer, has established a
17 pattern of failing to respond in a timely or adequate manner to
18 requests from the division for information related to claims for
19 benefits.

20 Determinations of the division prohibiting the relief of charges
21 pursuant to this subsection shall be subject to appeal in the same
22 manner as other determinations of the division related to the
23 charging of employer accounts.

24 For purposes of subsection (j) of this section:

25 "Erroneous benefit payment" means a benefit payment that,
26 except for the failure by the employer, or an agent of the employer,
27 to respond in a timely or adequate manner to a request from the
28 division for information with respect to the claim for benefits,
29 would not have been made; and

30 "Pattern of failing" means repeated documented failure on the
31 part of the employer, or an agent of the employer, to respond to
32 requests from the division to the employer or employer's agent for
33 information related to a claim for benefits, except that an employer,
34 or an agent of an employer, shall not be determined to have engaged
35 in a "pattern of failing" if the number of failures to respond to
36 requests from the division for information related to claims for
37 benefits during the previous 365 calendar days is less than three, or
38 if the number of failures is less than two percent of the number of
39 requests from the division, whichever is greater.

40 (k) The Department of Labor and Workforce Development shall
41 establish and maintain a procedure by which personnel access rights
42 to the department's primary system for unemployment claims
43 receipt and processing are comprehensively reviewed every
44 calendar quarter. The procedure shall include an evaluation of
45 access needs to the primary unemployment claims receipt and
46 processing system for all department personnel and the adjustment,
47 addition, or deletion of access rights for department personnel based

1 on the quarterly review.
2 (cf: P.L.2013, c.148, s.1)

3

4 2. This act shall take effect immediately.

5

6

7

STATEMENT

8

9 This bill requires the Department of Labor and Workforce
10 Development to establish and maintain a procedure by which
11 personnel access rights to the department's primary system for
12 unemployment claims receipt and processing are comprehensively
13 reviewed every calendar quarter.

14 The Office of the State Auditor conducted an audit on the
15 department's Local Office Online Payment System (LOOPS), the
16 department's current claims receipt and processing system, for the
17 period August 8, 2011 through May 31, 2013. The State Auditor's
18 report recommended that the department should periodically review
19 personnel access rights to LOOPS in order to reduce the risk of
20 errors, fraud, misuse, or unauthorized alteration in the receipt of
21 unemployment claims and the processing of unemployment
22 payments.

23 The bill requires the department to establish and maintain a
24 procedure to comprehensively review the system every calendar
25 quarter. The procedure must include an evaluation of access needs
26 to the primary unemployment claims receipt and processing system
27 for all department personnel and the adjustment, addition, or
28 deletion of access rights for department personnel based on the
29 quarterly review.

SENATE LABOR COMMITTEE

STATEMENT TO

SENATE, No. 2414

STATE OF NEW JERSEY

DATED: OCTOBER 9, 2014

The Senate Labor Committee reports favorably Senate Bill No. 2414.

This bill requires the Department of Labor and Workforce Development to establish and maintain a procedure by which personnel access rights to the department's primary system for unemployment claims receipt and processing are comprehensively reviewed every calendar quarter.

The Office of the State Auditor conducted an audit on the department's Local Office Online Payment System (LOOPS), the department's current claims receipt and processing system, for the period August 8, 2011 through May 31, 2013. The State Auditor's report recommended that the department should periodically review personnel access rights to LOOPS in order to reduce the risk of errors, fraud, misuse, or unauthorized alteration in the receipt of unemployment claims and the processing of unemployment payments.

The bill requires the department to establish and maintain a procedure to comprehensively review the system every calendar quarter. The procedure must include an evaluation of access needs to the primary unemployment claims receipt and processing system for all department personnel and the adjustment, addition, or deletion of access rights for department personnel based on the quarterly review.

ASSEMBLY, No. 3155

STATE OF NEW JERSEY 216th LEGISLATURE

INTRODUCED MAY 15, 2014

Sponsored by:

Assemblyman WAYNE P. DEANGELO

District 14 (Mercer and Middlesex)

Assemblyman JAY WEBBER

District 26 (Essex, Morris and Passaic)

SYNOPSIS

Concerns DOLWD personnel access to unemployment claims receipt and processing system.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/24/2014)

1 AN ACT concerning the Department of Labor and Workforce
2 Development unemployment claims receipt and processing
3 system and amending R.S.43:21-6.
4

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

8 1. R.S.43:21-6 is amended to read as follows:

9 43:21-6. (a) Filing. (1) Claims for benefits shall be made in
10 accordance with such regulations as the Director of the Division of
11 Unemployment and Temporary Disability Insurance of the
12 Department of Labor and Workforce Development of the State of
13 New Jersey may approve. Each employer shall post and maintain
14 on his premises printed notices of his subject status, of such design,
15 in such numbers and at such places as the director of the division
16 may determine to be necessary to give notice thereof to persons in
17 the employer's service. Each employer shall give to each individual
18 at the time he becomes unemployed, for any reason, whether the
19 unemployment is permanent or temporary, a printed copy of benefit
20 instructions. The benefit instructions given to the individual shall
21 include, but not be limited to, the following information: (A) the
22 date upon which the individual becomes unemployed, and, in the
23 case that the unemployment is temporary, to the extent possible, the
24 date upon which the individual is expected to be recalled to work;
25 and (B) that the individual may lose some or all of the benefits to
26 which he is entitled if he fails to file a claim in a timely manner.
27 Both the aforesaid notices and instructions, including information
28 detailing the time sensitivity of filing a claim, shall be supplied by
29 the division to employers without cost to them. Nothing in this
30 section shall be construed so as to require an employer to re-hire an
31 individual formerly in the employer's service.

32 (2) Any claimant, except for a claimant who has, for any period
33 during his base year, served in the military, worked for the federal
34 government, or worked outside the State of New Jersey, may
35 choose to certify, cancel or close his claim for unemployment
36 insurance benefits at any time, 24 hours a day and seven days a
37 week, via the Internet on a website developed by the division;
38 however, any claim that is certified, cancelled or closed after 7:00
39 PM will not be processed by the division until the next scheduled
40 posting date.

41 (b) (1) Procedure for making initial determinations with respect
42 to benefit years commencing on or after January 1, 1953.

43 A representative or representatives designated by the director of
44 the division and hereafter referred to as a "deputy" shall promptly
45 examine the claim, and shall notify the most recent employing unit

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 and, successively as necessary, each employer in inverse
2 chronological order during the base year. Such notification shall
3 require said employing unit and employer to furnish such
4 information to the deputy as may be necessary to determine the
5 claimant's eligibility and his benefit rights with respect to the
6 employer in question.

7 In his discretion, the director may appoint special deputies to
8 make initial or subsequent determinations under subsection (f) of
9 R.S.43:21-4 and subsection (d) of R.S.43:21-5.

10 If any employer or employing unit fails to respond to the request
11 for information within 10 days after the mailing, or communicating
12 by electronic means, of such request, the deputy shall rely entirely
13 on information from other sources, including an affidavit to the best
14 of the knowledge and belief of the claimant with respect to his
15 wages and time worked. Except in the event of fraud, if it is
16 determined that any information in such affidavit is erroneous, no
17 penalty shall be imposed on the claimant.

18 The deputy shall promptly make an initial determination based
19 upon the available information. The initial determination shall
20 show the weekly benefit amount payable, the maximum duration of
21 benefits with respect to the employer to whom the determination
22 relates, and the ratio of benefits chargeable to the employer's
23 account for benefit years commencing on or after July 1, 1986, and
24 also shall show whether the claimant is ineligible or disqualified for
25 benefits under the initial determination. The claimant and the
26 employer whose account may be charged for benefits payable
27 pursuant to said determination shall be promptly notified thereof.

28 Whenever an initial determination is based upon information
29 other than that supplied by an employer because such employer
30 failed to respond to the deputy's request for information, such initial
31 determination and any subsequent determination thereunder shall be
32 incontestable by the noncomplying employer, as to any charges to
33 his employer's account because of benefits paid prior to the close of
34 the calendar week following the receipt of his reply. Such initial
35 determination shall be altered if necessary upon receipt of
36 information from the employer, and any benefits paid or payable
37 with respect to weeks occurring subsequent to the close of the
38 calendar week following the receipt of the employer's reply shall be
39 paid in accordance with such altered initial determination.

40 The deputy shall issue a separate initial benefit determination
41 with respect to each of the claimant's base year employers, starting
42 with the most recent employer and continuing as necessary in the
43 inverse chronological order of the claimant's last date of
44 employment with each such employer. If an appeal is taken from
45 an initial determination, as hereinafter provided, by any employer
46 other than the first chargeable base year employer or for benefit
47 years commencing on or after July 1, 1986, that employer from
48 whom the individual was most recently separated, then such appeal

1 shall be limited in scope to include only one or more of the
2 following matters:

3 (A) The correctness of the benefit payments authorized to be
4 made under the determination;

5 (B) Fraud in connection with the claim pursuant to which the
6 initial determination is issued;

7 (C) The refusal of suitable work offered by the chargeable
8 employer filing the appeal;

9 (D) Gross misconduct as provided in subsection (b) of
10 R.S.43:21-5.

11 The amount of benefits payable under an initial determination
12 may be reduced or canceled if necessary to avoid payment of
13 benefits for a number of weeks in excess of the maximum specified
14 in subsection (d) of R.S.43:21-3.

15 Unless the claimant or any interested party, within seven
16 calendar days after delivery of notification of an initial
17 determination or within 10 calendar days after such notification was
18 mailed to his or their last-known address and addresses, files an
19 appeal from such decision, such decision shall be final and benefits
20 shall be paid or denied in accordance therewith, except for such
21 determinations as may be altered in benefit amounts or duration as
22 provided in this paragraph. Benefits payable for periods pending an
23 appeal and not in dispute shall be paid as such benefits accrue;
24 provided that insofar as any such appeal is or may be an appeal
25 from a determination to the effect that the claimant is disqualified
26 under the provisions of R.S.43:21-5 or any amendments thereof or
27 supplements thereto, benefits pending determination of the appeal
28 shall be withheld only for the period of disqualification as provided
29 for in said section, and notwithstanding such appeal, the benefits
30 otherwise provided by this act shall be paid for the period
31 subsequent to such period of disqualification; and provided, also,
32 that if there are two determinations of entitlement, benefits for the
33 period covered by such determinations shall be paid regardless of
34 any appeal which may thereafter be taken, but no employer's
35 account shall be charged with benefits so paid, if the decision is
36 finally reversed.

37 (2) Procedure for making initial determinations in certain cases
38 of concurrent employment, with respect to benefit years
39 commencing on or after January 1, 1953 and prior to benefit years
40 commencing on or after July 1, 1986.

41 Notwithstanding any other provisions of this Title, if an
42 individual shows to the satisfaction of the deputy that there were at
43 least 13 weeks in his base period in each of which he earned wages
44 from two or more employers totaling \$30.00 or more but in each of
45 which there was no single employer from whom he earned as much
46 as \$100.00, then such individual's claim shall be determined in
47 accordance with the special provisions of this paragraph. In such
48 case, the deputy shall determine the individual's eligibility for

1 benefits, his average weekly wage, weekly benefit rate and
2 maximum total benefits as if all his base year employers were a
3 single employer. Such determination shall apportion the liability
4 for benefit charges thereunder to the individual's several base year
5 employers so that each employer's maximum liability for charges
6 thereunder bears approximately the same relation to the maximum
7 total benefits allowed as the wages earned by the individual from
8 each employer during the base year bears to his total wages earned
9 from all employers during the base year. Such initial determination
10 shall also specify the individual's last date of employment within
11 the base year with respect to each base year employer, and such
12 employers shall be charged for benefits paid under said initial
13 determination in the inverse chronological order of such last date of
14 employment.

15 (3) Procedure for making subsequent determinations with
16 respect to benefit years commencing on or after January 1, 1953.
17 The deputy shall make determinations with respect to claims for
18 benefits thereafter in the course of the benefit year, in accordance
19 with any initial determination allowing benefits, and under which
20 benefits have not been exhausted, and each notification of a benefit
21 payment shall be a notification of an affirmative subsequent
22 determination. The allowance of benefits by the deputy on any such
23 determination, or the denial of benefits by the deputy on any such
24 determination, shall be appealable in the same manner and under
25 the same limitations as is provided in the case of initial
26 determinations.

27 (c) Appeals. Unless such appeal is withdrawn, an appeal
28 tribunal, after affording the parties reasonable opportunity for fair
29 hearing, shall affirm or modify the findings of fact and the
30 determination. The parties shall be duly notified of such tribunal's
31 decision, together with its reasons therefor, which shall be deemed
32 to be the final decision of the board of review, unless further appeal
33 is initiated pursuant to subsection (e) of this section within 10 days
34 after the date of notification or mailing of the decision for any
35 decision made on or before December 1, 2010, or within 20 days
36 after the date of notification or mailing of such decision for any
37 decision made after December 1, 2010.

38 (d) Appeal tribunals. To hear and decide disputed benefit
39 claims, including appeals from determinations with respect to
40 demands for refunds of benefits under subsection (d) of R.S.43:21-
41 16, the director with the approval of the Commissioner of Labor and
42 Workforce Development shall establish impartial appeal tribunals
43 consisting of a salaried body of examiners under the supervision of
44 a Chief Appeals Examiner, all of whom shall be appointed pursuant
45 to the provisions of Title 11A of the New Jersey Statutes, Civil
46 Service and other applicable statutes.

47 (e) Board of review. The board of review may on its own
48 motion affirm, modify, or set aside any decision of an appeal

1 tribunal on the basis of the evidence previously submitted in such
2 case, or direct the taking of additional evidence, or may permit any
3 of the parties to such decision to initiate further appeals before it.
4 The board of review shall permit such further appeal by any of the
5 parties interested in a decision of an appeal tribunal which is not
6 unanimous and from any determination which has been overruled or
7 modified by any appeal tribunal. The board of review may remove
8 to itself or transfer to another appeal tribunal the proceedings on
9 any claim pending before an appeal tribunal. Any proceedings so
10 removed to the board of review shall be heard by a quorum thereof
11 in accordance with the requirements of subsection (c) of this
12 section. The board of review shall promptly notify the interested
13 parties of its findings and decision.

14 (f) Procedure. The manner in which disputed benefit claims,
15 and appeals from determinations with respect to (1) claims for
16 benefits and (2) demands for refunds of benefits under subsection
17 (d) of R.S.43:21-16 shall be presented, the reports thereon required
18 from the claimant and from employers, and the conduct of hearings
19 and appeals shall be in accordance with rules prescribed by the
20 board of review for determining the rights of the parties, whether or
21 not such rules conform to common law or statutory rules of
22 evidence and other technical rules of procedure. A full and
23 complete record shall be kept of all proceedings in connection with
24 a disputed claim. All testimony at any hearing upon a disputed
25 claim shall be recorded, but need not be transcribed unless the
26 disputed claim is further appealed.

27 (g) Witness fees. Witnesses subpoenaed pursuant to this section
28 shall be allowed fees at a rate fixed by the director. Such fees and
29 all expenses of proceedings involving disputed claims shall be
30 deemed a part of the expense of administering this chapter
31 (R.S.43:21-1 et seq.).

32 (h) Court review. Any decision of the board of review shall
33 become final as to any party upon the mailing of a copy thereof to
34 such party or to his attorney, or upon the mailing of a copy thereof
35 to such party at his last-known address. The Division of
36 Unemployment and Temporary Disability Insurance and any party
37 to a proceeding before the board of review may secure judicial
38 review of the final decision of the board of review. Any party not
39 joining in the appeal shall be made a defendant; the board of review
40 shall be deemed to be a party to any judicial action involving the
41 review of, or appeal from, any of its decisions, and may be
42 represented in any such judicial action by any qualified attorney,
43 who may be a regular salaried employee of the board of review or
44 has been designated by it for that purpose, or, at the board of
45 review's request, by the Attorney General.

46 (i) Failure to give notice. The failure of any public officer or
47 employee at any time heretofore or hereafter to give notice of
48 determination or decision required in subsections (b), (c) and (e) of

1 this section, as originally passed or amended, shall not relieve any
2 employer's account of any charge by reason of any benefits paid,
3 unless and until that employer can show to the satisfaction of the
4 director of the division that the said benefits, in whole or in part,
5 would not have been charged or chargeable to his account had such
6 notice been given. Any determination hereunder by the director
7 shall be subject to court review.

8 (j) With respect to benefit payments made on or after October
9 22, 2013, an employer's account shall not be relieved of charges
10 related to a benefit payment that was made erroneously from the
11 division if it is determined that:

12 (1) The erroneous benefit payment was made because the
13 employer, or an agent of the employer, failed to respond in a timely
14 or adequate manner to a request from the division for information
15 related to the claim for benefits; and

16 (2) The employer, or an agent of the employer, has established a
17 pattern of failing to respond in a timely or adequate manner to
18 requests from the division for information related to claims for
19 benefits.

20 Determinations of the division prohibiting the relief of charges
21 pursuant to this subsection shall be subject to appeal in the same
22 manner as other determinations of the division related to the
23 charging of employer accounts.

24 For purposes of subsection (j) of this section:

25 "Erroneous benefit payment" means a benefit payment that,
26 except for the failure by the employer, or an agent of the employer,
27 to respond in a timely or adequate manner to a request from the
28 division for information with respect to the claim for benefits,
29 would not have been made; and

30 "Pattern of failing" means repeated documented failure on the
31 part of the employer, or an agent of the employer, to respond to
32 requests from the division to the employer or employer's agent for
33 information related to a claim for benefits, except that an employer,
34 or an agent of an employer, shall not be determined to have engaged
35 in a "pattern of failing" if the number of failures to respond to
36 requests from the division for information related to claims for
37 benefits during the previous 365 calendar days is less than three, or
38 if the number of failures is less than two percent of the number of
39 requests from the division, whichever is greater.

40 (k) The Department of Labor and Workforce Development shall
41 establish and maintain a procedure by which personnel access rights
42 to the department's primary system for unemployment claims
43 receipt and processing are comprehensively reviewed every
44 calendar quarter. The procedure shall include an evaluation of
45 access needs to the primary unemployment claims receipt and
46 processing system for all department personnel and the adjustment,
47 addition, or deletion of access rights for department personnel based

1 on the quarterly review.
2 (cf: P.L.2013, c.148, s.1)

3

4 2. This act shall take effect immediately.

5

6

7

STATEMENT

8

9 This bill requires the Department of Labor and Workforce
10 Development to establish and maintain a procedure by which
11 personnel access rights to the department's primary system for
12 unemployment claims receipt and processing are comprehensively
13 reviewed every calendar quarter.

14 The Office of the State Auditor conducted an audit on the
15 department's Local Office Online Payment System (LOOPS), the
16 department's current claims receipt and processing system, for the
17 period August 8, 2011 through May 31, 2013. The State Auditor's
18 report recommended that the department should periodically review
19 personnel access rights to LOOPS in order to reduce the risk of
20 errors, fraud, misuse, or unauthorized alteration in the receipt of
21 unemployment claims and the processing of unemployment
22 payments.

23 The bill requires the department to establish and maintain a
24 procedure to comprehensively review the system every calendar
25 quarter. The procedure must include an evaluation of access needs
26 to the primary unemployment claims receipt and processing system
27 for all department personnel and the adjustment, addition, or
28 deletion of access rights for department personnel based on the
29 quarterly review.

ASSEMBLY LABOR COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3155

STATE OF NEW JERSEY

DATED: SEPTEMBER 11, 2014

The Assembly Labor Committee reports favorably Assembly Bill No. 3155.

This bill requires the Department of Labor and Workforce Development to establish and maintain a procedure by which personnel access rights to the department's primary system for unemployment claims receipt and processing are comprehensively reviewed every calendar quarter.

The Office of the State Auditor conducted an audit on the department's Local Office Online Payment System (LOOPS), the department's current claims receipt and processing system, for the period August 8, 2011 through May 31, 2013. The State Auditor's report recommended that the department should periodically review personnel access rights to LOOPS in order to reduce the risk of errors, fraud, misuse, or unauthorized alteration in the receipt of unemployment claims and the processing of unemployment payments.

The bill requires the department to establish and maintain a procedure to comprehensively review the system every calendar quarter. The procedure must include an evaluation of access needs to the primary unemployment claims receipt and processing system for all department personnel and the adjustment, addition, or deletion of access rights for department personnel based on the quarterly review.