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RH/CL

P.L. 2021, CHAPTER 55, *approved April 19, 2021*
Senate, No. 2476

1 AN ACT concerning certain workers' compensation benefits for
2 surviving dependents of employees deemed essential during
3 coronavirus disease 2019 pandemic and supplementing chapter 15
4 of Title 34 of the Revised Statutes.

5

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

8

9 1. a. Beginning on January 1, 2020, and in each fiscal year
10 thereafter, a dependent of an essential employee, who is receiving
11 weekly benefits pursuant to R.S.34:15-13 for a death that occurred
12 after March 1, 2020 due to the contraction of coronavirus disease
13 2019 in the course of employment, and who is not entitled to receive
14 special adjustment benefits pursuant to section 1 of P.L.1980, c.83
15 (C.34:15-95.4), shall be entitled to receive weekly supplemental
16 benefits from the Second Injury Fund during the period in which the
17 dependent is eligible to receive the initially-awarded weekly benefits,
18 whenever the amount of the initially-awarded weekly benefits is less
19 than the total amount of weekly benefits that would be payable to the
20 dependent if that total amount included weekly supplemental benefits
21 calculated in the manner indicated in subsection b. of this section. In
22 making the determination of the aggregate annual surcharge for the
23 Second Injury Fund to be levied pursuant to paragraph (4) of
24 subsection c. of R.S.34:15-94 for calendar year 2020 and each
25 subsequent calendar year, the Commissioner of Labor and Workforce
26 Development shall include the anticipated additional amounts,
27 including administrative costs, required for payment of supplemental
28 benefits pursuant to this section during the fiscal year which begins
29 on July 1 of the respective calendar year.

30 b. The base amount of the weekly supplemental benefits to be
31 paid pursuant to this section during each fiscal year shall be
32 calculated in a manner so that when it is added to the workers'
33 compensation weekly death benefits initially awarded, the sum of the
34 initial award and the base weekly supplemental benefits shall bear
35 the same percentage relationship to the maximum workers'
36 compensation death benefit rate for the current fiscal year that the
37 dependent's initial weekly death benefits bore to the maximum
38 workers' compensation death benefit rate in effect at the time of the
39 death, except that:

40 (1) The actual amount of the supplemental benefits paid pursuant
41 to this section to any dependent shall be reduced by an amount equal
42 to the dependent's benefit payable under the Federal Old-Age,
43 Survivors' and Disability Insurance Act, excluding any disability
44 benefits paid to that dependent under that act and any cost of living

1 increases in benefits paid to that dependent under that act, or Black
2 Lung benefits;

3 (2) A supplemental benefit shall not be paid if the actual amount
4 of the benefit to be paid is calculated to be less than \$5 per week; and

5 (3) A supplemental benefit shall not be paid to a dependent who
6 elects to not receive benefits under the Federal Old Age, Survivors
7 and Disability Insurance Act for which the dependent is eligible.

8 c. Notwithstanding any other provision of this section, weekly
9 supplemental benefits paid pursuant to this section shall not be paid
10 in a manner which in any way changes or modifies the provisions of
11 section 1 or 9 of P.L.1980, c.83 (C.34:15-95.4 or 34:15-95.5).

12 d. An insurance carrier or self-insured employer responsible for
13 the payment of workers' compensation death benefits to a dependent
14 shall notify the Division of Workers' Compensation of the need to
15 have the Second Injury Fund make supplemental benefit payments to
16 the dependent pursuant to this section not later than the 60th day after
17 the date on which it is determined that the payment of supplemental
18 benefits is required pursuant to this section. If the insurance carrier
19 or self-insured employer fails to notify the division and that failure
20 results in the payment of an incorrect amount of benefits, the liability
21 for the payment of the supplemental benefits shall be transferred from
22 the Second Injury Fund to the employer until the time at which the
23 insurance carrier or self-insured employer provides the required
24 notice.

25 e. For the purposes of this section, "essential employee" means
26 an employee in the public or private sector who, during a state of
27 emergency:

28 (1) is a public safety worker or first responder, including any fire,
29 police or other emergency responders;

30 (2) is involved in providing medical and other healthcare
31 services, emergency transportation, social services, and other care
32 services, including services provided in health care facilities,
33 residential facilities, or homes;

34 (3) performs functions which involve physical proximity to
35 members of the public and are essential to the public's health, safety,
36 and welfare, including transportation services, financial services, and
37 the production, preparation, storage, sale, and distribution of
38 essential goods such as food, beverages, medicine, fuel, and supplies
39 for conducting essential business and work at home; or

40 (4) is any other employee deemed an essential employee by the
41 public authority declaring the state of emergency.

42 If the state of emergency does not apply to the entire State, an
43 employee shall be regarded as an essential employee only if the
44 employee is working in the area subject to the state of emergency.

45 f. The Commissioner of Labor and Workforce Development
46 shall promulgate rules and regulations as are necessary to effectuate
47 the purposes of this act.

1 2. This act shall take effect immediately.

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STATEMENT

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6 This bill provides supplemental benefit payments to the
7 dependents of essential employees who died in the course of
8 employment due to the contraction of coronavirus disease 2019. The
9 bill provides a cost of living adjustment (COLA) to the spouse or
10 dependent's workers' compensation death benefit if that employee
11 dies from the coronavirus. This adjustment is intended to mirror, to
12 the extent possible, the COLA already in place for benefits for
13 dependents of public safety workers killed in the line of duty.

14 The bill provides for the COLA to be an amount such that, when
15 added to the workers' compensation weekly benefit rate initially
16 awarded, the sum will bear the same percentage relationship to the
17 maximum benefit rate at the time of the adjustment that the initial
18 rate bore to the maximum rate at the time of the initial award, except
19 that:

20 (1) the bill reduces the amount of the adjustment as much as
21 necessary to ensure that the sum of the adjustment and the amount
22 initially awarded does not exceed the amount which would cause any
23 reduction of Social Security disability benefits;

24 (2) in cases which are not subject to the provisions of point one
25 above, the bill reduces the supplemental workers' compensation
26 benefits (but not regular workers' compensation) for claimants
27 injured after 1979 by the amount of any Social Security benefits
28 (other than Social Security disability benefits and any cost of living
29 increases in Social Security benefits), Black Lung benefits, or the
30 employer's share of disability pension payments received from or on
31 account of an employer; and

32 (3) the bill requires that the COLA benefits will not be paid to
33 any individual who elects to not receive benefits under the Federal
34 Old Age, Survivors and Disability Insurance Act for which the
35 individual is eligible.

36 These reductions parallel the reductions provided under current
37 law for claimants who were injured before 1980. The bill also
38 provides that no supplemental benefits will be paid in any case in
39 which they are calculated to be less than \$5 per week.

40 Under the bill, "essential employee" is defined as an employee in
41 the public or private sector who, during a state of emergency:

42 (1) is a public safety worker or first responder, including any fire,
43 police or other emergency responders;

44 (2) is involved in providing medical and other healthcare
45 services, emergency transportation, social services, and other care
46 services, including services provided in health care facilities,
47 residential facilities, or homes;

1 (3) performs functions which involve physical proximity to
2 members of the public and are essential to the public's health, safety,
3 and welfare, including transportation services, financial services, and
4 the production, preparation, storage, sale, and distribution of
5 essential goods such as food, beverages, medicine, fuel, and supplies
6 for conducting essential business and work at home; or

7 (4) is any other employee deemed an essential employee by the
8 public authority declaring the state of emergency.

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13 _____
14 Concerns certain workers' compensation supplemental benefits for
15 surviving dependents of essential employees who die in course of
employment.

SENATE, No. 2476

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED MAY 11, 2020

Sponsored by:

Senator TROY SINGLETON

District 7 (Burlington)

Senator DAWN MARIE ADDIEGO

District 8 (Atlantic, Burlington and Camden)

Assemblywoman CAROL A. MURPHY

District 7 (Burlington)

Assemblyman THOMAS P. GIBLIN

District 34 (Essex and Passaic)

Assemblyman ANTHONY S. VERRELLI

District 15 (Hunterdon and Mercer)

Co-Sponsored by:

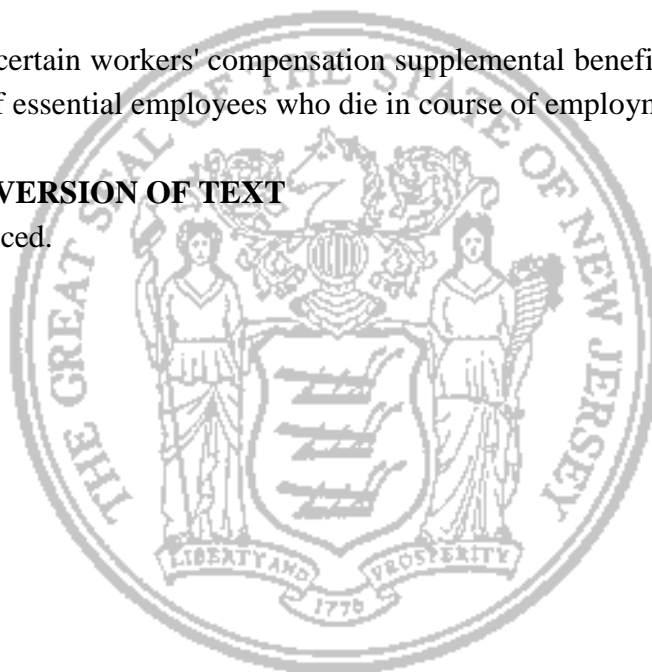
**Assemblymen Benson, Houghtaling, Assemblywomen Reynolds-Jackson,
Downey and Timberlake**

SYNOPSIS

Concerns certain workers' compensation supplemental benefits for surviving dependents of essential employees who die in course of employment.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/1/2021)

1 AN ACT concerning certain workers' compensation benefits for
2 surviving dependents of employees deemed essential during
3 coronavirus disease 2019 pandemic and supplementing chapter 15
4 of Title 34 of the Revised Statutes.

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

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9 1. a. Beginning on January 1, 2020, and in each fiscal year
10 thereafter, a dependent of an essential employee, who is receiving
11 weekly benefits pursuant to R.S.34:15-13 for a death that occurred
12 after March 1, 2020 due to the contraction of coronavirus disease
13 2019 in the course of employment, and who is not entitled to receive
14 special adjustment benefits pursuant to section 1 of P.L.1980, c.83
15 (C.34:15-95.4), shall be entitled to receive weekly supplemental
16 benefits from the Second Injury Fund during the period in which the
17 dependent is eligible to receive the initially-awarded weekly benefits,
18 whenever the amount of the initially-awarded weekly benefits is less
19 than the total amount of weekly benefits that would be payable to the
20 dependent if that total amount included weekly supplemental benefits
21 calculated in the manner indicated in subsection b. of this section. In
22 making the determination of the aggregate annual surcharge for the
23 Second Injury Fund to be levied pursuant to paragraph (4) of
24 subsection c. of R.S.34:15-94 for calendar year 2020 and each
25 subsequent calendar year, the Commissioner of Labor and Workforce
26 Development shall include the anticipated additional amounts,
27 including administrative costs, required for payment of supplemental
28 benefits pursuant to this section during the fiscal year which begins
29 on July 1 of the respective calendar year.

30 b. The base amount of the weekly supplemental benefits to be
31 paid pursuant to this section during each fiscal year shall be
32 calculated in a manner so that when it is added to the workers'
33 compensation weekly death benefits initially awarded, the sum of the
34 initial award and the base weekly supplemental benefits shall bear
35 the same percentage relationship to the maximum workers'
36 compensation death benefit rate for the current fiscal year that the
37 dependent's initial weekly death benefits bore to the maximum
38 workers' compensation death benefit rate in effect at the time of the
39 death, except that:

40 (1) The actual amount of the supplemental benefits paid pursuant
41 to this section to any dependent shall be reduced by an amount equal
42 to the dependent's benefit payable under the Federal Old-Age,
43 Survivors' and Disability Insurance Act, excluding any disability
44 benefits paid to that dependent under that act and any cost of living
45 increases in benefits paid to that dependent under that act, or Black
46 Lung benefits;

47 (2) A supplemental benefit shall not be paid if the actual amount
48 of the benefit to be paid is calculated to be less than \$5 per week; and

1 (3) A supplemental benefit shall not be paid to a dependent who
2 elects to not receive benefits under the Federal Old Age, Survivors
3 and Disability Insurance Act for which the dependent is eligible.

4 c. Notwithstanding any other provision of this section, weekly
5 supplemental benefits paid pursuant to this section shall not be paid
6 in a manner which in any way changes or modifies the provisions of
7 section 1 or 9 of P.L.1980, c.83 (C.34:15-95.4 or 34:15-95.5).

8 d. An insurance carrier or self-insured employer responsible for
9 the payment of workers' compensation death benefits to a dependent
10 shall notify the Division of Workers' Compensation of the need to
11 have the Second Injury Fund make supplemental benefit payments to
12 the dependent pursuant to this section not later than the 60th day after
13 the date on which it is determined that the payment of supplemental
14 benefits is required pursuant to this section. If the insurance carrier
15 or self-insured employer fails to notify the division and that failure
16 results in the payment of an incorrect amount of benefits, the liability
17 for the payment of the supplemental benefits shall be transferred from
18 the Second Injury Fund to the employer until the time at which the
19 insurance carrier or self-insured employer provides the required
20 notice.

21 e. For the purposes of this section, "essential employee" means
22 an employee in the public or private sector who, during a state of
23 emergency:

24 (1) is a public safety worker or first responder, including any fire,
25 police or other emergency responders;

26 (2) is involved in providing medical and other healthcare
27 services, emergency transportation, social services, and other care
28 services, including services provided in health care facilities,
29 residential facilities, or homes;

30 (3) performs functions which involve physical proximity to
31 members of the public and are essential to the public's health, safety,
32 and welfare, including transportation services, financial services, and
33 the production, preparation, storage, sale, and distribution of
34 essential goods such as food, beverages, medicine, fuel, and supplies
35 for conducting essential business and work at home; or

36 (4) is any other employee deemed an essential employee by the
37 public authority declaring the state of emergency.

38 If the state of emergency does not apply to the entire State, an
39 employee shall be regarded as an essential employee only if the
40 employee is working in the area subject to the state of emergency.

41 f. The Commissioner of Labor and Workforce Development
42 shall promulgate rules and regulations as are necessary to effectuate
43 the purposes of this act.

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45 2. This act shall take effect immediately.

STATEMENT

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This bill provides supplemental benefit payments to the dependents of essential employees who died in the course of employment due to the contraction of coronavirus disease 2019. The bill provides a cost of living adjustment (COLA) to the spouse or dependent's workers' compensation death benefit if that employee dies from the coronavirus. This adjustment is intended to mirror, to the extent possible, the COLA already in place for benefits for dependents of public safety workers killed in the line of duty.

The bill provides for the COLA to be an amount such that, when added to the workers' compensation weekly benefit rate initially awarded, the sum will bear the same percentage relationship to the maximum benefit rate at the time of the adjustment that the initial rate bore to the maximum rate at the time of the initial award, except that:

(1) the bill reduces the amount of the adjustment as much as necessary to ensure that the sum of the adjustment and the amount initially awarded does not exceed the amount which would cause any reduction of Social Security disability benefits;

(2) in cases which are not subject to the provisions of point one above, the bill reduces the supplemental workers' compensation benefits (but not regular workers' compensation) for claimants injured after 1979 by the amount of any Social Security benefits (other than Social Security disability benefits and any cost of living increases in Social Security benefits), Black Lung benefits, or the employer's share of disability pension payments received from or on account of an employer; and

(3) the bill requires that the COLA benefits will not be paid to any individual who elects to not receive benefits under the Federal Old Age, Survivors and Disability Insurance Act for which the individual is eligible.

These reductions parallel the reductions provided under current law for claimants who were injured before 1980. The bill also provides that no supplemental benefits will be paid in any case in which they are calculated to be less than \$5 per week.

Under the bill, "essential employee" is defined as an employee in the public or private sector who, during a state of emergency:

(1) is a public safety worker or first responder, including any fire, police or other emergency responders;

(2) is involved in providing medical and other healthcare services, emergency transportation, social services, and other care services, including services provided in health care facilities, residential facilities, or homes;

(3) performs functions which involve physical proximity to members of the public and are essential to the public's health, safety, and welfare, including transportation services, financial services, and the production, preparation, storage, sale, and distribution of

S2476 SINGLETON, ADDIEGO

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- 1 essential goods such as food, beverages, medicine, fuel, and supplies
- 2 for conducting essential business and work at home; or
- 3 (4) is any other employee deemed an essential employee by the
- 4 public authority declaring the state of emergency.

ASSEMBLY LABOR COMMITTEE

STATEMENT TO

SENATE, No. 2476

STATE OF NEW JERSEY

DATED: DECEMBER 14, 2020

The Assembly Labor Committee reports favorably Senate Bill No. 2476.

This bill provides supplemental benefit payments to the dependents of essential employees who died in the course of employment due to the contraction of coronavirus disease 2019. The bill provides a cost of living adjustment (COLA) to the spouse or dependent's workers' compensation death benefit if that employee dies from the coronavirus. This adjustment is intended to mirror, to the extent possible, the COLA already in place for benefits for dependents of public safety workers killed in the line of duty.

The bill provides for the COLA to be an amount such that, when added to the workers' compensation weekly benefit rate initially awarded, the sum will bear the same percentage relationship to the maximum benefit rate at the time of the adjustment that the initial rate bore to the maximum rate at the time of the initial award, except that:

(1) the bill reduces the amount of the adjustment as much as necessary to ensure that the sum of the adjustment and the amount initially awarded does not exceed the amount which would cause any reduction of Social Security disability benefits;

(2) in cases which are not subject to the provisions of point one above, the bill reduces the supplemental workers' compensation benefits (but not regular workers' compensation) for claimants injured after 1979 by the amount of any Social Security benefits (other than Social Security disability benefits and any cost of living increases in Social Security benefits), Black Lung benefits, or the employer's share of disability pension payments received from or on account of an employer; and

(3) the bill requires that the COLA benefits will not be paid to any individual who elects to not receive benefits under the Federal Old Age, Survivors and Disability Insurance Act for which the individual is eligible.

These reductions parallel the reductions provided under current law for claimants who were injured before 1980. The bill also provides that no supplemental benefits will be paid in any case in which they are calculated to be less than \$5 per week.

Under the bill, “essential employee” is defined as an employee in the public or private sector who, during a state of emergency:

(1) is a public safety worker or first responder, including any fire, police or other emergency responders;

(2) is involved in providing medical and other healthcare services, emergency transportation, social services, and other care services, including services provided in health care facilities, residential facilities, or homes;

(3) performs functions which involve physical proximity to members of the public and are essential to the public's health, safety, and welfare, including transportation services, financial services, and the production, preparation, storage, sale, and distribution of essential goods such as food, beverages, medicine, fuel, and supplies for conducting essential business and work at home; or

(4) is any other employee deemed an essential employee by the public authority declaring the state of emergency.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 2476

STATE OF NEW JERSEY

DATED: FEBRUARY 24, 2021

The Assembly Appropriations Committee reports favorably Senate Bill No. 2476.

This bill provides supplemental benefit payments to the dependents of essential employees who died in the course of employment due to the contraction of coronavirus disease 2019. The bill provides a cost of living adjustment (COLA) to the spouse or dependent's workers' compensation death benefit if that employee dies from the coronavirus. This adjustment is intended to mirror, to the extent possible, the COLA already in place for benefits for dependents of public safety workers killed in the line of duty.

The bill provides for the COLA to be an amount such that, when added to the workers' compensation weekly benefit rate initially awarded, the sum will bear the same percentage relationship to the maximum benefit rate at the time of the adjustment that the initial rate bore to the maximum rate at the time of the initial award, except that:

(1) the bill reduces the amount of the adjustment as much as necessary to ensure that the sum of the adjustment and the amount initially awarded does not exceed the amount which would cause any reduction of Social Security disability benefits;

(2) in cases which are not subject to the provisions of point one above, the bill reduces the supplemental workers' compensation benefits (but not regular workers' compensation) for claimants injured after 1979 by the amount of any Social Security benefits (other than Social Security disability benefits and any cost of living increases in Social Security benefits), Black Lung benefits, or the employer's share of disability pension payments received from or on account of an employer; and

(3) the bill requires that the COLA benefits will not be paid to any individual who elects to not receive benefits under the Federal Old Age, Survivors and Disability Insurance Act for which the individual is eligible.

These reductions parallel the reductions provided under current law for claimants who were injured before 1980. The bill also provides that no supplemental benefits will be paid in any case in which they are calculated to be less than \$5 per week.

Under the bill, "essential employee" is defined as an employee in the public or private sector who, during a state of emergency:

(1) is a public safety worker or first responder, including any fire, police or other emergency responders;

(2) is involved in providing medical and other healthcare services, emergency transportation, social services, and other care services, including services provided in health care facilities, residential facilities, or homes;

(3) performs functions which involve physical proximity to members of the public and are essential to the public's health, safety, and welfare, including transportation services, financial services, and the production, preparation, storage, sale, and distribution of essential goods such as food, beverages, medicine, fuel, and supplies for conducting essential business and work at home; or

(4) is any other employee deemed an essential employee by the public authority declaring the state of emergency.

As reported by the committee, Senate Bill No. 2476 is identical to, Assembly Bill No. 3998, which also was reported by the committee on this date.

FISCAL IMPACT:

The Office of Legislative Services (OLS) estimates that the bill will result in an indeterminate annual increase of State workers' compensation (WC) benefits paid out of the Second Injury Fund (SIF) to surviving dependents of essential employees who died in the course of employment due to the contraction of coronavirus disease 2019. The OLS notes, however, that Social Security benefits will reduce or even negate a qualified dependent's WC annual cost of living adjustment (COLA) under the bill. The OLS cannot forecast the annual expenditure increase given the uncertainty concerning reliability and validity of the available, limited, data and the severity of the coronavirus disease 2019 pandemic.

Any growth in SIF disbursements will trigger a corresponding SIF revenue increases. This is so because current law requires the Department of Labor and Workforce Development to calculate the SIF assessment for each upcoming calendar year according to a formula that incorporates expected benefit payments as a variable.

The SIF assessment is paid by employers that are WC and employer's liability insurance policyholders or that are self-insured, except that the assessment is not imposed on the State or any political subdivision thereof which acts as a self-insured employer. In New Jersey, an unknown number of political subdivisions do not self-insure and instead purchase WC insurance policies. These entities pay the SIF surcharge and will be subject to any SIF rate increase attributed to this bill.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 2476

STATE OF NEW JERSEY

DATED: JUNE 11, 2020

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2476.

This bill provides supplemental benefit payments to the dependents of essential employees who died in the course of employment due to the contraction of coronavirus disease 2019. The supplemental benefit is a cost of living adjustment (COLA) to the workers' compensation death benefit of the dependent or spouse, which is intended to mirror, to the extent possible, the COLA already in place for benefits for dependents of public safety workers killed in the line of duty.

The bill provides for the COLA to be an amount such that, when added to the workers' compensation weekly benefit rate initially awarded, the sum will bear the same percentage relationship to the maximum benefit rate at the time of the adjustment that the initial rate bore to the maximum rate at the time of the initial award, except that:

(1) the bill reduces the amount of the adjustment as much as necessary to ensure that the sum of the adjustment and the amount initially awarded does not exceed the amount which would cause any reduction of Social Security disability benefits;

(2) in cases which are not subject to the provisions of point one above, the bill reduces the supplemental workers' compensation benefits (but not regular workers' compensation) for claimants injured after 1979 by the amount of any Social Security benefits (other than Social Security disability benefits and any cost of living increases in Social Security benefits), Black Lung benefits, or the employer's share of disability pension payments received from or on account of an employer; and

(3) the bill requires that the COLA benefits will not be paid to any individual who elects to not receive benefits under the Federal Old Age, Survivors and Disability Insurance Act for which the individual is eligible.

These reductions parallel the reductions provided under current law for claimants who were injured before 1980. The bill also provides that no supplemental benefits will be paid in any case in which they are calculated to be less than \$5 per week.

Under the bill, "essential employee" is defined as an employee in the public or private sector who, during a state of emergency:

(1) is a public safety worker or first responder, including any fire, police or other emergency responders;

(2) is involved in providing medical and other healthcare services, emergency transportation, social services, and other care services, including services provided in health care facilities, residential facilities, or homes;

(3) performs functions which involve physical proximity to members of the public and are essential to the public's health, safety, and welfare, including transportation services, financial services, and the production, preparation, storage, sale, and distribution of essential goods such as food, beverages, medicine, fuel, and supplies for conducting essential business and work at home; or

(4) is any other employee deemed an essential employee by the public authority declaring the state of emergency.

FISCAL IMPACT:

The Office of Legislative Services (OLS) estimates that the bill will result in an indeterminate annual increase of State workers' compensation (WC) benefits paid out of the Second Injury Fund (SIF) to surviving dependents of essential employees who died in the course of employment due to the contraction of coronavirus disease 2019. The OLS notes, however, that Social Security benefits will reduce or even negate a qualified dependent's WC annual cost of living adjustment (COLA) under the bill. The OLS cannot forecast the annual expenditure increase given the uncertainty concerning reliability and validity of the available, limited, data and the severity of the coronavirus disease 2019 pandemic.

Any growth in SIF disbursements will trigger a corresponding SIF revenue increases. This is so because current law requires the Department of Labor and Workforce Development to calculate the SIF assessment for each upcoming calendar year according to a formula that incorporates expected benefit payments as a variable.

The SIF assessment is paid by employers that are WC and employer's liability insurance policyholders or that are self-insured, except that the assessment is not imposed on the State or any political subdivision thereof which acts as a self-insured employer. In New Jersey, an unknown number of political subdivisions do not self-insure and instead purchase WC insurance policies. These entities pay the SIF surcharge and will be subject to any SIF rate increase attributed to this bill.

LEGISLATIVE FISCAL ESTIMATE
SENATE, No. 2476
STATE OF NEW JERSEY
219th LEGISLATURE

DATED: JUNE 12, 2020

SUMMARY

Synopsis: Concerns certain workers' compensation supplemental benefits for surviving dependents of essential employees who die in course of employment.

Type of Impact: Annual State expenditure and revenue increases to Second Injury Fund. Annual expenditure increase to certain local governments.

Agencies Affected: Department of Labor and Workforce Development. Certain Local governments.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
State Expenditure Increase, Second Injury Fund	Indeterminate
State Revenue Increase, Second Injury Fund	Indeterminate
Local Expenditure Increase	Indeterminate

- The Office of Legislative Services (OLS) estimates that the bill will result in an indeterminate annual increase of State workers' compensation (WC) benefits paid out of the Second Injury Fund (SIF) to surviving dependents of essential employees who died in the course of employment due to the contraction of coronavirus disease 2019. The OLS notes, however, that Social Security benefits will reduce or even negate a qualified dependent's WC annual cost of living adjustment (COLA) under the bill. The OLS cannot forecast the annual expenditure increase given the uncertainty concerning reliability and validity of the available, limited, data and the severity of the coronavirus disease 2019 pandemic.
- Any growth in SIF disbursements will trigger a corresponding SIF revenue increases. This is so because current law requires the Department of Labor and Workforce Development to calculate the SIF assessment for each upcoming calendar year according to a formula that incorporates expected benefit payments as a variable.
- The SIF assessment is paid by employers that are WC and employer's liability insurance policyholders or that are self-insured, except that the assessment is not imposed on the State or any political subdivision thereof which acts as a self-insured employer. In New Jersey, an unknown number of political subdivisions do not self-insure and instead purchase WC

insurance policies. These entities pay the SIF surcharge and will be subject to any SIF rate increase attributed to this bill.

BILL DESCRIPTION

This bill provides supplemental benefit payments to the dependents of essential employees who died in the course of employment due to the contraction of coronavirus disease 2019. The bill provides a COLA to the spouse or dependent's workers' compensation death benefit if that employee dies from the coronavirus. This adjustment is intended to mirror, to the extent possible, the COLA already in place for benefits for dependents of public safety workers killed in the line of duty.

The bill provides for the COLA to be an amount such that, when added to the workers' compensation weekly benefit rate initially awarded, the sum will bear the same percentage relationship to the maximum benefit rate at the time of the adjustment that the initial rate bore to the maximum rate at the time of the initial award, except that:

(1) the bill reduces the amount of the adjustment as much as necessary to ensure that the sum of the adjustment and the amount initially awarded does not exceed the amount which would cause any reduction of Social Security disability benefits;

(2) in cases which are not subject to the provisions of point one above, the bill reduces the supplemental workers' compensation benefits (but not regular workers' compensation) for claimants injured after 1979 by the amount of any Social Security benefits (other than Social Security disability benefits and any cost of living increases in Social Security benefits), Black Lung benefits, or the employer's share of disability pension payments received from or on account of an employer; and

(3) the bill requires that the COLA benefits will not be paid to any individual who elects to not receive benefits under the Federal Old Age, Survivors and Disability Insurance Act for which the individual is eligible.

These reductions parallel the reductions provided under current law for claimants who were injured before 1980. The bill also provides that no supplemental benefits will be paid in any case in which they are calculated to be less than \$5 per week.

Under the bill, "essential employee" is defined as an employee in the public or private sector who, during a state of emergency:

(1) is a public safety worker or first responder, including any fire, police or other emergency responders;

(2) is involved in providing medical and other healthcare services, emergency transportation, social services, and other care services, including services provided in health care facilities, residential facilities, or homes;

(3) performs functions which involve physical proximity to members of the public and are essential to the public's health, safety, and welfare, including transportation services, financial services, and the production, preparation, storage, sale, and distribution of essential goods such as food, beverages, medicine, fuel, and supplies for conducting essential business and work at home; or

(4) is any other employee deemed an essential employee by the public authority declaring the state of emergency.

FISCAL ANALYSIS***EXECUTIVE BRANCH***

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS estimates that the enactment of this bill will result in indeterminate annual increase of State WC benefits paid out of the SIF to surviving dependents of essential employees who died in the course of employment due to the contraction of coronavirus disease 2019. The OLS notes, however, that Social Security benefits will reduce or even negate a qualified dependent's WC annual COLA under the bill. The OLS cannot forecast the annual expenditure increase given the uncertainty concerning reliability and validity of the available data and the severity of the coronavirus disease 2019 pandemic.

Any growth in SIF disbursements will trigger corresponding SIF revenue increases. This is so because current law requires the Department of Labor and Workforce Development to calculate the SIF assessment for each upcoming calendar year so that projected fund resources equal 125 percent of expected benefit payments plus 100 percent of the projected cost of administration.

The SIF assessment is paid by employers that are WC and employer's liability insurance policyholders or that are self-insured, except that the assessment is not imposed on the State or any political subdivision thereof which acts as a self-insured employer. An unknown number of political subdivisions do not self-insure and instead purchase WC insurance policies. These entities pay the SIF surcharge and will be subject to any SIF rate increase attributable to this bill.

Section: *Commerce, Labor and Industry*
Analyst: *Juan C. Rodriguez*
 Senior Fiscal Analyst
Approved: *Frank W. Haines III*
 Legislative Budget and Finance Officer

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

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

ASSEMBLY, No. 3998

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED MAY 4, 2020

Sponsored by:

Assemblywoman CAROL A. MURPHY

District 7 (Burlington)

Assemblyman THOMAS P. GIBLIN

District 34 (Essex and Passaic)

Assemblyman ANTHONY S. VERRELLI

District 15 (Hunterdon and Mercer)

Co-Sponsored by:

**Assemblymen Benson, Houghtaling, Assemblywomen Reynolds-Jackson,
Downey and Timberlake**

SYNOPSIS

Concerns certain workers' compensation supplemental benefits for surviving dependents of essential employees who die in course of employment.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/1/2021)

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2

1 AN ACT concerning certain workers' compensation benefits for
2 surviving dependents of employees deemed essential during
3 coronavirus disease 2019 pandemic and supplementing chapter 15
4 of Title 34 of the Revised Statutes.

5

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

8

9 1. a. Beginning on January 1, 2020, and in each fiscal year
10 thereafter, a dependent of an essential employee, who is receiving
11 weekly benefits pursuant to R.S.34:15-13 for a death that occurred
12 after March 1, 2020 due to the contraction of coronavirus disease
13 2019 in the course of employment, and who is not entitled to receive
14 special adjustment benefits pursuant to section 1 of P.L.1980, c.83
15 (C.34:15-95.4), shall be entitled to receive weekly supplemental
16 benefits from the Second Injury Fund during the period in which the
17 dependent is eligible to receive the initially-awarded weekly benefits,
18 whenever the amount of the initially-awarded weekly benefits is less
19 than the total amount of weekly benefits that would be payable to the
20 dependent if that total amount included weekly supplemental benefits
21 calculated in the manner indicated in subsection b. of this section. In
22 making the determination of the aggregate annual surcharge for the
23 Second Injury Fund to be levied pursuant to paragraph (4) of
24 subsection c. of R.S.34:15-94 for calendar year 2020 and each
25 subsequent calendar year, the Commissioner of Labor and Workforce
26 Development shall include the anticipated additional amounts,
27 including administrative costs, required for payment of supplemental
28 benefits pursuant to this section during the fiscal year which begins
29 on July 1 of the respective calendar year.

30 b. The base amount of the weekly supplemental benefits to be
31 paid pursuant to this section during each fiscal year shall be
32 calculated in a manner so that when it is added to the workers'
33 compensation weekly death benefits initially awarded, the sum of the
34 initial award and the base weekly supplemental benefits shall bear
35 the same percentage relationship to the maximum workers'
36 compensation death benefit rate for the current fiscal year that the
37 dependent's initial weekly death benefits bore to the maximum
38 workers' compensation death benefit rate in effect at the time of the
39 death, except that:

40 (1) The actual amount of the supplemental benefits paid pursuant
41 to this section to any dependent shall be reduced by an amount equal
42 to the dependent's benefit payable under the Federal Old-Age,
43 Survivors' and Disability Insurance Act, excluding any disability
44 benefits paid to that dependent under that act and any cost of living
45 increases in benefits paid to that dependent under that act, or Black
46 Lung benefits;

47 (2) A supplemental benefit shall not be paid if the actual amount
48 of the benefit to be paid is calculated to be less than \$5 per week; and

1 (3) A supplemental benefit shall not be paid to a dependent who
2 elects to not receive benefits under the Federal Old Age, Survivors
3 and Disability Insurance Act for which the dependent is eligible.

4 c. Notwithstanding any other provision of this section, weekly
5 supplemental benefits paid pursuant to this section shall not be paid
6 in a manner which in any way changes or modifies the provisions of
7 section 1 or 9 of P.L.1980, c.83 (C.34:15-95.4 or 34:15-95.5).

8 d. An insurance carrier or self-insured employer responsible for
9 the payment of workers' compensation death benefits to a dependent
10 shall notify the Division of Workers' Compensation of the need to
11 have the Second Injury Fund make supplemental benefit payments to
12 the dependent pursuant to this section not later than the 60th day after
13 the date on which it is determined that the payment of supplemental
14 benefits is required pursuant to this section. If the insurance carrier
15 or self-insured employer fails to notify the division and that failure
16 results in the payment of an incorrect amount of benefits, the liability
17 for the payment of the supplemental benefits shall be transferred from
18 the Second Injury Fund to the employer until the time at which the
19 insurance carrier or self-insured employer provides the required
20 notice.

21 e. For the purposes of this section, "essential employee" means
22 an employee in the public or private sector who, during a state of
23 emergency:

24 (1) is a public safety worker or first responder, including any fire,
25 police or other emergency responders;

26 (2) is involved in providing medical and other healthcare
27 services, emergency transportation, social services, and other care
28 services, including services provided in health care facilities,
29 residential facilities, or homes;

30 (3) performs functions which involve physical proximity to
31 members of the public and are essential to the public's health, safety,
32 and welfare, including transportation services, financial services, and
33 the production, preparation, storage, sale, and distribution of
34 essential goods such as food, beverages, medicine, fuel, and supplies
35 for conducting essential business and work at home; or

36 (4) is any other employee deemed an essential employee by the
37 public authority declaring the state of emergency.

38 If the state of emergency does not apply to the entire State, an
39 employee shall be regarded as an essential employee only if the
40 employee is working in the area subject to the state of emergency.

41 f. The Commissioner of Labor and Workforce Development
42 shall promulgate rules and regulations as are necessary to effectuate
43 the purposes of this act.

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45 2. This act shall take effect immediately.

STATEMENT

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This bill provides supplemental benefit payments to the dependents of essential employees who died in the course of employment due to the contraction of coronavirus disease 2019. The bill provides a cost of living adjustment (COLA) to the spouse or dependent's workers' compensation death benefit if that employee dies from the coronavirus. This adjustment is intended to mirror, to the extent possible, the COLA already in place for benefits for dependents of public safety workers killed in the line of duty.

The bill provides for the COLA to be an amount such that, when added to the workers' compensation weekly benefit rate initially awarded, the sum will bear the same percentage relationship to the maximum benefit rate at the time of the adjustment that the initial rate bore to the maximum rate at the time of the initial award, except that:

(1) the bill reduces the amount of the adjustment as much as necessary to ensure that the sum of the adjustment and the amount initially awarded does not exceed the amount which would cause any reduction of Social Security disability benefits;

(2) in cases which are not subject to the provisions of point one above, the bill reduces the supplemental workers' compensation benefits (but not regular workers' compensation) for claimants injured after 1979 by the amount of any Social Security benefits (other than Social Security disability benefits and any cost of living increases in Social Security benefits), Black Lung benefits, or the employer's share of disability pension payments received from or on account of an employer; and

(3) the bill requires that the COLA benefits will not be paid to any individual who elects to not receive benefits under the Federal Old Age, Survivors and Disability Insurance Act for which the individual is eligible.

These reductions parallel the reductions provided under current law for claimants who were injured before 1980. The bill also provides that no supplemental benefits will be paid in any case in which they are calculated to be less than \$5 per week.

Under the bill, "essential employee" is defined as an employee in the public or private sector who, during a state of emergency:

(1) is a public safety worker or first responder, including any fire, police or other emergency responders;

(2) is involved in providing medical and other healthcare services, emergency transportation, social services, and other care services, including services provided in health care facilities, residential facilities, or homes;

(3) performs functions which involve physical proximity to members of the public and are essential to the public's health, safety, and welfare, including transportation services, financial services, and the production, preparation, storage, sale, and distribution of

A3998 MURPHY

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- 1 essential goods such as food, beverages, medicine, fuel, and supplies
- 2 for conducting essential business and work at home; or
- 3 (4) is any other employee deemed an essential employee by the
- 4 public authority declaring the state of emergency.

ASSEMBLY LABOR COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3998

STATE OF NEW JERSEY

DATED: DECEMBER 14, 2020

The Assembly Labor Committee reports favorably Assembly Bill No. 3998.

This bill provides supplemental benefit payments to the dependents of essential employees who died in the course of employment due to the contraction of coronavirus disease 2019. The bill provides a cost of living adjustment (COLA) to the spouse or dependent's workers' compensation death benefit if that employee dies from the coronavirus. This adjustment is intended to mirror, to the extent possible, the COLA already in place for benefits for dependents of public safety workers killed in the line of duty.

The bill provides for the COLA to be an amount such that, when added to the workers' compensation weekly benefit rate initially awarded, the sum will bear the same percentage relationship to the maximum benefit rate at the time of the adjustment that the initial rate bore to the maximum rate at the time of the initial award, except that:

(1) the bill reduces the amount of the adjustment as much as necessary to ensure that the sum of the adjustment and the amount initially awarded does not exceed the amount which would cause any reduction of Social Security disability benefits;

(2) in cases which are not subject to the provisions of point one above, the bill reduces the supplemental workers' compensation benefits (but not regular workers' compensation) for claimants injured after 1979 by the amount of any Social Security benefits (other than Social Security disability benefits and any cost of living increases in Social Security benefits), Black Lung benefits, or the employer's share of disability pension payments received from or on account of an employer; and

(3) the bill requires that the COLA benefits will not be paid to any individual who elects to not receive benefits under the Federal Old Age, Survivors and Disability Insurance Act for which the individual is eligible.

These reductions parallel the reductions provided under current law for claimants who were injured before 1980. The bill also provides that no supplemental benefits will be paid in any case in which they are calculated to be less than \$5 per week.

Under the bill, “essential employee” is defined as an employee in the public or private sector who, during a state of emergency:

(1) is a public safety worker or first responder, including any fire, police or other emergency responders;

(2) is involved in providing medical and other healthcare services, emergency transportation, social services, and other care services, including services provided in health care facilities, residential facilities, or homes;

(3) performs functions which involve physical proximity to members of the public and are essential to the public's health, safety, and welfare, including transportation services, financial services, and the production, preparation, storage, sale, and distribution of essential goods such as food, beverages, medicine, fuel, and supplies for conducting essential business and work at home; or

(4) is any other employee deemed an essential employee by the public authority declaring the state of emergency.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3998

STATE OF NEW JERSEY

DATED: FEBRUARY 24, 2021

The Assembly Appropriations Committee reports favorably Assembly Bill No. 3998.

This bill provides supplemental benefit payments to the dependents of essential employees who died in the course of employment due to the contraction of coronavirus disease 2019. The bill provides a cost of living adjustment (COLA) to the spouse or dependent's workers' compensation death benefit if that employee dies from the coronavirus. This adjustment is intended to mirror, to the extent possible, the COLA already in place for benefits for dependents of public safety workers killed in the line of duty.

The bill provides for the COLA to be an amount such that, when added to the workers' compensation weekly benefit rate initially awarded, the sum will bear the same percentage relationship to the maximum benefit rate at the time of the adjustment that the initial rate bore to the maximum rate at the time of the initial award, except that:

(1) the bill reduces the amount of the adjustment as much as necessary to ensure that the sum of the adjustment and the amount initially awarded does not exceed the amount which would cause any reduction of Social Security disability benefits;

(2) in cases which are not subject to the provisions of point one above, the bill reduces the supplemental workers' compensation benefits (but not regular workers' compensation) for claimants injured after 1979 by the amount of any Social Security benefits (other than Social Security disability benefits and any cost of living increases in Social Security benefits), Black Lung benefits, or the employer's share of disability pension payments received from or on account of an employer; and

(3) the bill requires that the COLA benefits will not be paid to any individual who elects to not receive benefits under the Federal Old Age, Survivors and Disability Insurance Act for which the individual is eligible.

These reductions parallel the reductions provided under current law for claimants who were injured before 1980. The bill also provides that no supplemental benefits will be paid in any case in which they are calculated to be less than \$5 per week.

Under the bill, "essential employee" is defined as an employee in the public or private sector who, during a state of emergency:

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(2) is involved in providing medical and other healthcare services, emergency transportation, social services, and other care services, including services provided in health care facilities, residential facilities, or homes;

(3) performs functions which involve physical proximity to members of the public and are essential to the public's health, safety, and welfare, including transportation services, financial services, and the production, preparation, storage, sale, and distribution of essential goods such as food, beverages, medicine, fuel, and supplies for conducting essential business and work at home; or

(4) is any other employee deemed an essential employee by the public authority declaring the state of emergency.

As reported by the committee, Assembly Bill No. 3998 is identical to Senate Bill No. 2476, which also was reported by the committee on this date.

FISCAL IMPACT:

The Office of Legislative Services (OLS) estimates that the bill will result in an indeterminate annual increase of State workers' compensation (WC) benefits paid out of the Second Injury Fund (SIF) to surviving dependents of essential employees who died in the course of employment due to the contraction of coronavirus disease 2019. The OLS notes, however, that Social Security benefits will reduce or even negate a qualified dependent's WC annual cost of living adjustment (COLA) under the bill. The OLS cannot forecast the annual expenditure increase given the uncertainty concerning reliability and validity of the available, limited, data and the severity of the coronavirus disease 2019 pandemic.

Any growth in SIF disbursements will trigger a corresponding SIF revenue increases. This is so because current law requires the Department of Labor and Workforce Development to calculate the SIF assessment for each upcoming calendar year according to a formula that incorporates expected benefit payments as a variable.

The SIF assessment is paid by employers that are WC and employer's liability insurance policyholders or that are self-insured, except that the assessment is not imposed on the State or any political subdivision thereof which acts as a self-insured employer. In New Jersey, an unknown number of political subdivisions do not self-insure and instead purchase WC insurance policies. These entities pay the SIF surcharge and will be subject to any SIF rate increase attributed to this bill.

LEGISLATIVE FISCAL ESTIMATE
ASSEMBLY, No. 3998
STATE OF NEW JERSEY
219th LEGISLATURE

DATED: FEBRUARY 26, 2021

SUMMARY

Synopsis: Concerns certain workers' compensation supplemental benefits for surviving dependents of essential employees who die in course of employment.

Type of Impact: Annual State expenditure and revenue increases to Second Injury Fund. Annual expenditure increase to certain local governments.

Agencies Affected: Department of Labor and Workforce Development. Certain Local governments.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
State Expenditure Increase, Second Injury Fund	Indeterminate
State Revenue Increase, Second Injury Fund	Indeterminate
Local Expenditure Increase	Indeterminate

- The Office of Legislative Services (OLS) estimates that the bill will result in an indeterminate annual increase of State workers' compensation (WC) benefits paid out of the Second Injury Fund (SIF) to surviving dependents of essential employees who died in the course of employment due to the contraction of coronavirus disease 2019. The OLS notes, however, that Social Security benefits will reduce or even negate a qualified dependent's WC annual cost of living adjustment (COLA) under the bill. The OLS cannot forecast the annual expenditure increase given to uncertainty concerning reliability and validity of the available, limited, data and the severity of the coronavirus disease 2019 pandemic.
- Any growth in SIF disbursements will trigger a corresponding SIF revenue increases. This is so because current law requires the Department of Labor and Workforce Development to calculate the SIF assessment for each upcoming calendar year according to a formula that incorporates expected benefit payments as a variable.
- The SIF assessment is paid by employers that are WC and employer's liability insurance policyholders or that are self-insured, except that the assessment is not imposed on the State

or any political subdivision thereof which acts as a self-insured employer. In New Jersey, an unknown number of political subdivisions do not self-insure and instead purchase WC insurance policies. These entities pay the SIF surcharge and will be subject to any SIF rate increase attributed to this bill.

BILL DESCRIPTION

This bill provides supplemental benefit payments to the dependents of essential employees who died in the course of employment due to the contraction of coronavirus disease 2019. The bill provides a COLA to the spouse or dependent's workers' compensation death benefit if that employee dies from the coronavirus. This adjustment is intended to mirror, to the extent possible, the COLA already in place for benefits for dependents of public safety workers killed in the line of duty.

The bill provides for the COLA to be an amount such that, when added to the workers' compensation weekly benefit rate initially awarded, the sum will bear the same percentage relationship to the maximum benefit rate at the time of the adjustment that the initial rate bore to the maximum rate at the time of the initial award, except that:

(1) the bill reduces the amount of the adjustment as much as necessary to ensure that the sum of the adjustment and the amount initially awarded does not exceed the amount which would cause any reduction of Social Security disability benefits;

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(3) the bill requires that the COLA benefits will not be paid to any individual who elects to not receive benefits under the Federal Old Age, Survivors and Disability Insurance Act for which the individual is eligible.

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(4) is any other employee deemed an essential employee by the public authority declaring the state of emergency.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS estimates that the enactment of this bill will result in indeterminate annual increase of State WC benefits paid out of the SIF to surviving dependents of essential employees who died in the course of employment due to the contraction of coronavirus disease 2019. The OLS notes, however, that Social Security benefits will reduce or even negate a qualified dependent's WC annual COLA under the bill. The OLS cannot forecast the annual expenditure increase given the uncertainty concerning reliability and validity of the available data and the severity of the coronavirus disease 2019 pandemic.

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The SIF assessment is paid by employers that are WC and employer's liability insurance policyholders or that are self-insured, except that the assessment is not imposed on the State or any political subdivision thereof which acts as a self-insured employer. An unknown number of political subdivisions do not self-insure and instead purchase WC insurance policies. These entities pay the SIF surcharge and will be subject to any SIF rate increase attributable to this bill.

Section: *Commerce, Labor and Industry*
Analyst: *Juan C. Rodriguez*
 Senior Fiscal Analyst
Approved: *Thomas Koenig*
 Legislative Budget and Finance Officer

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

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

Governor Murphy Takes Action on Legislation

04/19/2021

TRENTON - Today, Governor Phil Murphy signed the following bills and resolutions into law:

SJR-93/AJR-180 (Lagana, Cunningham, Pou/Wimberly, Reynolds-Jackson, Quijano) Designates February 14 of each year as Frederick Douglass Day in NJ.

S-275/A-2142 (Kean, Cruz-Perez/Tully, Swain, Dancer) Provides resident tuition rate to certain non-resident dependent children of United States military personnel attending public institutions of higher education.

S-551/A-1057 (Codey, Bucco/Jasey, McKeon, Dunn) Permits appointment of nonresident municipal emergency management coordinators in municipalities with populations under 5,000 persons in certain circumstances.

S-699/A-5245 (Ruiz, Singleton/Sumter, Reynolds-Jackson, Stanley) Requires training for DOE arbitrators to include issues related to cultural diversity and bias.

S-1017/A-2562 (Gopal, Lagana/DeAngelo, Dancer, Chaparro) Provides retirement allowance after 20 years of service regardless of age for current members of PFRS who retire within two years.

S-1851/A-4407 (Ruiz, Cryan/Jasey, Moriarty) Eliminates eligibility of postsecondary students and other individuals for State student assistance, training, and employment services if school or training provider requires student to consent to arbitration agreement or proceeding or to waive certain rights.

S-2323/A-3869 (Gopal, Bucco/Armato, Vainieri Huttle, Verrelli) Requires opioid antidote prescriptions for certain patients.

S-2476/A-3998 (Singleton, Addiego/Murphy, Giblin, Verrelli) Concerns certain workers' compensation supplemental benefits for surviving dependents of essential employees who die in course of employment.

[Copy of Statement](#)

S-2831/A-4783 (Ruiz, Beach/Quijano, Lampitt, Jasey) Requires DOE to establish Alternate Route Interstate Reciprocity Pilot Program

S-2973/A-4895 (Beach/Armato) Creates office of deputy superintendent of elections in counties of fifth class.

S-3004/A-4947 (Sarlo, Pou/Johnson, Wirths, Reynolds-Jackson) Establishes retroactive date for provisions of P.L.2018, c.165, which clarifies provisions of "Predatory Towing Prevention Act."

Governor Murphy vetoed the following bills:

S-347/A-1992 (Smith, Vitale/Stanley, Conaway, Houghtaling) - CONDITIONAL - Establishes "NJ One Health Task Force."

[Copy of Statement](#)

S-619/A-1635 (O'Scanlon/Lampitt, Downey) - CONDITIONAL - Permits use of telemedicine and telehealth to authorize patients for medical cannabis and to issue written instructions for dispensing medical cannabis.

[Copy of Statement](#)

S-2725/A-4473 (Gopal/Houghtaling, Downey) - CONDITIONAL - Concerns assessment of real property in counties operating under "Real Property Assessment Demonstration Program."

Copy of Statement

**GOVERNOR'S STATEMENT UPON SIGNING
SENATE BILL NO. 2476**

Today I am pleased to sign Senate Bill No. 2476, which provides, from January 1, 2020 forward, weekly supplemental benefit payments to the dependents of essential employees who die in the course of employment due to the contraction of Coronavirus disease 2019 ("COVID-19"). The supplemental benefits provided under this bill are available to the families of public safety workers, first responders, healthcare professionals, and others who made the ultimate sacrifice performing duties essential to the public's health, safety, and welfare at the height of the COVID-19 pandemic.

The source of funding for the benefits provided under this bill is the Second Injury Fund ("SIF"). Before Congress enacted the Americans with Disabilities Act, which bars employers from denying employment on the basis of an applicant's pre-existing disabilities, the State established the SIF to provide employers with an incentive to hire persons with pre-existing disabilities by limiting an employer's liability for workers' compensation payments. Through the SIF, the State provides benefit payments to workers already partially disabled who subsequently experience a work-related injury that exacerbates a pre-existing injury.

I commend the Legislature for seeking to ensure that the compensation benefits provided to our essential workers are commensurate with the annual cost of living. While I do not believe that the SIF is the most appropriate funding source for the benefits provided under the bill, I am signing this bill because I strongly believe that those willing to sacrifice their own safety and well-being in this crisis deserve to receive fair financial compensation. The supplemental benefits provided by the bill demonstrate our collective gratitude towards the families of our frontline workers who gave our State hope during the darkest of times.

This bill represents a continuation of our commitment to provide adequate compensation to the families of heroes who were willing to risk their own lives for the good of our communities. Last session, we provided similar supplemental benefits to public safety workers through the enactment of P.L.2019, c.127, which, like this bill, provides supplemental compensation benefits through the SIF. Unlike P.L.2019, c.127, which was delayed in its effect, this bill takes effect retroactively beginning January 1, 2020.

The timeline set forth in this bill raises certain complications that the Department of Labor and Workforce and Development ("DOLWD") will have to manage. The SIF is funded by an annual surcharge levied upon insurers and certain employers on the first day of every year. This surcharge ensures sufficient revenues flow into the SIF to cover its liabilities. Each year,

DOLWD has to determine the annual surcharge amount and notify insurers and employers of that amount on or before September 15.

The unique definition of essential employees in the bill coupled with the fact that the average salaries of essential workers vary greatly may prevent the DOLWD from being able to accurately calculate the cost of the benefits. Because of these difficulties and the still unknown long-term effects of COVID-19, the bill could strain the fund balance of the SIF, in which case the payment of the benefits provided under this bill may necessitate a General Fund appropriation.

Insufficient funding of the SIF poses a risk of significant harm to the disabled workers and their families who rely upon these benefits. The recent trend of utilizing the SIF to pay expenses for which the SIF was never intended is a troubling development. I look forward to working with my partners in the Legislature to find new ways to compensate our dedicated workforce without jeopardizing the funds that provide a critical lifeline to the workers and families for which the funds were established.

The courage of our essential workers is an inspiration to all New Jerseyans. This bill is a recognition of their invaluable contributions to the State. My signature today represents my unwavering commitment to all those who continue to put themselves and their families at increased risk for the benefit of their communities.

Date: April 19, 2021

/s/ Philip D. Murphy

Governor

Attest:

/s/ Parimal Garg

Chief Counsel to the Governor