

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 873

STATE OF NEW JERSEY
213th LEGISLATURE

ADOPTED FEBRUARY 28, 2008

Sponsored by:

Assemblyman NELSON T. ALBANO
District 1 (Cape May, Atlantic and Cumberland)
Assemblywoman SHEILA Y. OLIVER
District 34 (Essex and Passaic)
Assemblywoman LINDA R. GREENSTEIN
District 14 (Mercer and Middlesex)
Assemblyman WAYNE P. DEANGELO
District 14 (Mercer and Middlesex)

Co-Sponsored by:

Assemblymen Vas, Giblin, Burzichelli, Assemblywoman Stender,
Assemblymen Johnson, Scalera, Egan, Diegnan, Assemblywomen Vainieri
Huttle and Jasey

SYNOPSIS

Extends TDI to provide family leave benefits for workers caring for sick family members, newborn and newly adopted children.

CURRENT VERSION OF TEXT

Substitute as adopted by the Assembly Labor Committee.



1 AN ACT providing benefits for family temporary disability leave,
2 amending R.S.43:21-4 and R.S.43:21-7, amending and
3 supplementing P.L.1948, c.110, and supplementing Title 54A of
4 the New Jersey Statutes.

5

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

8

9 1. Section 2 of P.L.1948, c.110 (C.43:21-26) is amended to
10 read as follows:

11 2. Purpose. This act shall be liberally construed as remedial
12 legislation enacted upon the following declarations of public policy
13 and legislative findings of fact:

14 The public policy of this State, already established, is to protect
15 employees against the suffering and hardship generally caused by
16 involuntary unemployment. But the **[unemployment compensation**
17 **law]** "unemployment compensation law" provides benefit payments
18 to replace wage loss caused by involuntary unemployment only so
19 long as an individual is "able to work, and is available for work,"
20 and fails to provide any protection against wage loss suffered
21 because of inability to perform the duties of a job interrupted by
22 nonoccupational illness, injury, or other disability of the individual
23 or of members of the individual's family. Nor is there any other
24 comprehensive and systematic provision for the protection of
25 working people against loss of earnings due to a nonoccupational
26 sickness **[or],** accident, or other disability.

27 The prevalence and incidence of nonoccupational sickness
28 **[and],** accident, and other disability among employed people is
29 greatest among the lower income groups, who either cannot or will
30 not voluntarily provide out of their own resources against the
31 hazard of an earnings loss caused by nonoccupational sickness **[or],**
32 accident, or other disability. Disabling sickness or accident occurs
33 throughout the working population at one time or another, and
34 approximately fifteen per centum (15%) of the number of people at
35 work may be expected to suffer disabling illness of more than one
36 week each year.

37 It **[has been]** was found, prior to the enactment of the
38 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25
39 et seq.), that then existing voluntary plans for the payment of cash
40 sickness benefits **[cover]** covered less than one-half of the number
41 of working people of this State who **[are now]** were covered by the
42 **[unemployment compensation law,]** "unemployment compensation
43 law," and that even **[this]** that degree of voluntary protection
44 **[affords]** afforded uneven, unequal and sometimes uncertain

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 protection among the various voluntary benefit programs.

2 While the enactment of that law has provided stable protection
3 for New Jersey's disabled workers, very few workers are protected
4 from income losses caused by the need to take time off from work
5 to care for family members who are incapable of self-care,
6 including newborn and newly-adopted children. The growing
7 portion of middle-income families in which all adult family
8 members work, largely due to economic necessity, points to the
9 desperate need for replacement income when a working family
10 member must take time to care for family members who are unable
11 to take care of themselves. Moreover, the United States is the only
12 industrialized nation in the world which does not have a mandatory
13 workplace-based program for such income support. It is therefore
14 desirable and necessary to fill the gap in existing provisions for
15 protection against the loss of earnings caused by involuntary
16 unemployment, by extending such protection to meet the hazard of
17 earnings loss due to inability to work caused by nonoccupational
18 sickness [or accident], accidents, or other disabilities of workers
19 and members of their families. Developing systems that help
20 families adapt to the competing interests of work and home not only
21 benefits workers, but also benefits employers by reducing employee
22 turnover and increasing worker productivity.

23 The foregoing facts and considerations require that there be a
24 uniform minimum program providing in a systematic manner for
25 the payment of reasonable benefits to replace partially such
26 earnings loss and to meet the continuing need for benefits where an
27 individual becomes disabled during unemployment or needs to care
28 for family members incapable of self-care. In order to maintain
29 consumer purchasing power, relieve the serious menace to health,
30 morals and welfare of the people caused by insecurity and the loss
31 of earnings, to reduce the necessity for public relief of needy
32 persons, to increase workplace productivity and alleviate the
33 enormous and growing stress on working families of balancing the
34 demands of work and family needs, and in the interest of the health,
35 welfare and security of the people of this State, such a system,
36 enacted under the police power, is hereby established, requiring the
37 payment of reasonable cash benefits to eligible individuals
38 **[suffering]** who are subject to accident or illness which is not
39 compensable under the **[workmen's]** workers' compensation law or
40 who need to care for family members incapable of self-care.

41 Since the enactment of the "Temporary Disability Benefits Law,"
42 P.L.1948, c.110 (C.43:21-25 et seq.), the State government-operated
43 State temporary disability benefits plan, or "State plan," has proven
44 to be highly efficient and cost effective in providing temporary
45 disability benefits to New Jersey workers. The State plan
46 guarantees the availability of coverage for all employers, regardless
47 of experience, with low overhead costs and a rapid processing of
48 claims and appeals by knowledgeable, impartial public employees.

1 Consequently, the percentage of all employers using the State plan
2 increased from 64% in 1952 to 98% in 2006, while the percentage
3 of employees covered by the State plan increased from 28% to 83%.
4 A publicly-operated, nonprofit State plan is therefore indispensable
5 to achieving the goals of the "Temporary Disability Benefits Law,"
6 P.L.1948, c.110 (C.43:21-25 et seq.).
7 (cf: P.L.1948, c.110, s.2)

8
9 2. Section 3 of P.L.1948, c.110 (C.43:21-27) is amended to
10 read as follows:

11 3. As used in this act, unless the context clearly requires
12 otherwise:

13 (a) (1) "Covered employer" means, with respect to whether an
14 employer is required to provide benefits during an employee's own
15 disability pursuant to P.L.1948, c.110 (C.43:21-25 et seq.), any
16 individual or type of organization, including any partnership,
17 association, trust, estate, joint-stock company, insurance company
18 or corporation, whether domestic or foreign, or the receiver, trustee
19 in bankruptcy, trustee or successor thereof, or the legal
20 representative of a deceased person, who is an employer subject to
21 the [chapter to which this act is a supplement, designated as the]
22 "unemployment compensation law" (R.S.43:21-1 et seq.), except
23 the State, its political subdivisions, and any instrumentality of the
24 State unless such governmental entity elects to become a covered
25 employer [under the "Temporary Disability Benefits Law"]
26 pursuant to paragraph (2) of this subsection (a); provided, however,
27 that commencing with the effective date of this act, the State of
28 New Jersey, including Rutgers, The State University, the University
29 of Medicine and Dentistry of New Jersey and the New Jersey
30 Institute of Technology, shall be deemed a covered employer, as
31 defined herein.

32 "Covered employer" means, after June 30, 2009, with respect to
33 whether the employer is an employer whose employees are eligible
34 for benefits during periods of family temporary disability leave
35 pursuant to P.L.1948, c.110 (C.43:21-25 et seq.), and, after
36 December 31, 2008, whether employees of the employer are
37 required to make contributions pursuant to R.S.43:21-7(d)(1)(G)(ii),
38 any individual or type of organization, including any partnership,
39 association, trust, estate, joint-stock company, insurance company
40 or domestic or foreign corporation, or the receiver, trustee in
41 bankruptcy, trustee or successor thereof, or the legal representative
42 of a deceased person, who is an employer subject to the
43 "unemployment compensation law" (R.S.43:21-1 et seq.), including
44 any governmental entity or instrumentality which is an employer
45 under R.S.43:21-19(h)(5), notwithstanding that the governmental
46 entity or instrumentality has not elected to be a covered employer
47 pursuant to paragraph (2) of this subsection (a).

1 (2) Any governmental entity or instrumentality which is an
2 employer under R.S.43:21-19(h)(5) may, with respect to the
3 provision of benefits during an employee's own disability pursuant
4 to P.L.1948, c.110 (C.43:21-25 et seq.), elect to become a "covered
5 employer" under this subsection beginning with the date on which
6 its coverage under **【subsection 19(h)(5)】** R.S.43:21-19(h)(5) begins
7 or as of January 1 of any year thereafter by filing written notice of
8 such election with the division within at least 30 days of the
9 effective date. Such election shall remain in effect for at least two
10 full calendar years and may be terminated as of January 1 of any
11 year thereafter by filing with the division a written notice of
12 termination at least 30 days prior to the termination date.

13 (b) (1) "Covered individual" means, with respect to whether an
14 individual is eligible for benefits during an individual's own
15 disability pursuant to P.L.1948, c.110 (C.43:21-25 et seq.), any
16 person who is in employment, as defined in the **【chapter to which**
17 **this act is a supplement】**, "unemployment compensation law"
18 (R.S.43:21-1 et seq.) for which the individual is entitled to
19 remuneration from a covered employer, or who has been out of such
20 employment for less than two weeks**【. However,】**, except that a
21 "covered individual" who is employed by the State of New Jersey,
22 including Rutgers, The State University, the University of Medicine
23 and Dentistry of New Jersey and the New Jersey Institute of
24 Technology, or by any governmental entity or instrumentality
25 which elects to become a "covered employer" pursuant to this
26 amendatory act, shall not be eligible to receive any benefits under
27 the "Temporary Disability Benefits Law" until such individual has
28 exhausted all sick leave accumulated as an employee in the
29 classified service of the State or accumulated under terms and
30 conditions similar to classified employees or accumulated under the
31 terms and conditions pursuant to the laws of this State or as the
32 result of a negotiated contract with any governmental entity or
33 instrumentality which elects to become a "covered employer."

34 "Covered individual" shall not mean, with respect to whether an
35 individual is eligible for benefits during an individual's own
36 disability pursuant to P.L.1948, c.110 (C.43:21-25 et seq.), any
37 member of the Division of State Police in the Department of Law
38 and Public Safety.

39 (2) "Covered individual" means, with respect to whether an
40 individual is eligible for benefits during the individual's period of
41 family temporary disability leave pursuant to P.L.1948, c.110
42 (C.43:21-25 et seq.), any individual who is in employment, as
43 defined in the "unemployment compensation law" (R.S.43:21-1 et
44 seq.), for which the individual is entitled to remuneration from a
45 covered employer, or who has been out of that employment for less
46 than two weeks.

47 (c) "Division" or "commission" means the Division of
48 **【Unemployment and】** Temporary Disability Insurance of the

1 Department of Labor and Workforce Development, and any
2 transaction or exercise of authority by the director of the division
3 shall be deemed to be performed by the division.

4 (d) "Day" shall mean a full calendar day beginning and ending
5 at midnight.

6 (e) "Disability" shall mean such disability as is compensable
7 under section 5 of this act.

8 (f) "Disability benefits" shall mean any cash payments which
9 are payable to a covered individual for all or part of a period of
10 disability pursuant to this act.

11 (g) "Period of disability" with respect to any covered individual
12 shall mean **[the]**:

13 (1) The entire period of time during which the covered
14 individual is continuously and totally unable to perform the duties
15 of **[his]** the covered individual's employment because of the
16 covered individual's own disability, except that two periods of
17 disability due to the same or related cause or condition and
18 separated by a period of not more than 14 days shall be considered
19 as one continuous period of disability; provided the individual has
20 earned wages during such 14-day period with the employer who
21 was the individual's last employer immediately preceding the first
22 period of disability; and

23 (2) On or after July 1, 2009, the entire period of family
24 temporary disability leave taken from employment by the covered
25 individual.

26 (h) "Wages" shall mean all compensation payable by covered
27 employers to covered individuals for personal services, including
28 commissions and bonuses and the cash value of all compensation
29 payable in any medium other than cash.

30 (i) (1) (Deleted by amendment, P.L.2001, c.17).

31 (2) (Deleted by amendment, P.L.2001, c.17).

32 (3) "Base week" with respect to periods of disability
33 commencing on or after October 1, 1985 and before January 1,
34 2001, means any calendar week during which **[an]** a covered
35 individual earned in employment from a covered employer
36 remuneration equal to not less than 20% of the Statewide average
37 weekly **[remuneration]** wage determined under subsection (c) of
38 R.S.43:21-3, which shall be adjusted to the next higher multiple of
39 \$1.00 if not already a multiple thereof.

40 (4) "Base week" with respect to periods of disability
41 commencing on or after January 1, 2001, means any calendar week
42 of **[an]** a covered individual's base year during which the covered
43 individual earned in employment from a covered employer
44 remuneration not less than an amount 20 times the minimum wage
45 in effect pursuant to section 5 of P.L.1966, c.113 (C.34:11-56a4) on
46 October 1 of the calendar year preceding the calendar year in which
47 the benefit year commences, which amount shall be adjusted to the
48 next higher multiple of \$1.00 if not already a multiple thereof,

1 except that if in any calendar week an individual subject to this
2 paragraph is in employment with more than one employer, the
3 covered individual may in that calendar week establish a base week
4 with respect to each of the employers from whom the covered
5 individual earns remuneration equal to not less than the amount
6 defined in this paragraph during that week.

7 (j) (1) "Average weekly wage" means the amount derived
8 by dividing a covered individual's total wages earned from the
9 individual's most recent covered employer during the base weeks in
10 the eight calendar weeks immediately preceding the calendar week
11 in which a period of disability commenced, by the number of such
12 base weeks.

13 (2) If **[this]** the computation in paragraph (1) of this subsection
14 (j) yields a result which is less than the individual's average weekly
15 earnings in employment **[, as defined in the chapter to which this act**
16 **is a supplement,]** with all covered employers during the base weeks
17 in such eight calendar weeks, then the average weekly wage shall be
18 computed on the basis of earnings from all covered employers
19 during the **[eight]** base weeks in the eight calendar weeks
20 immediately preceding the week in which the period of disability
21 commenced.

22 (3) For periods of disability commencing on or after July 1,
23 2009, if the computations in paragraphs (1) and (2) of this
24 subsection (j) both yield a result which is less than the individual's
25 average weekly earnings in employment with all covered employers
26 during the base weeks in the 26 calendar weeks immediately
27 preceding the week in which the period of disability commenced,
28 then the average weekly wage shall, upon a written request to the
29 department by the individual on a form provided by the department,
30 be computed by the department on the basis of earnings from all
31 covered employers of the individual during the base weeks in those
32 26 calendar weeks, and, in the case of a claim for benefits from a
33 private plan, that computation of the average weekly wage shall be
34 provided by the department to the individual and the individual's
35 employer.

36 When determining the "average weekly wage" with respect to a
37 period of family temporary disability leave for an individual who
38 has a period of family temporary disability immediately after the
39 individual has a period of disability for the individual's own
40 disability, the period of disability is deemed to have commenced at
41 the beginning of the period of disability for the individual's own
42 disability, not the period of family temporary disability.

43 (k) "Child" means a biological, adopted, or foster child,
44 stepchild or legal ward of a covered individual, child of a domestic
45 partner of the covered individual, or child of a civil union partner of
46 the covered individual, who is less than 19 years of age or is 19
47 years of age or older but incapable of self-care because of mental or
48 physical impairment.

1 (l) "Domestic partner" means a domestic partner as defined in
2 section 3 of P.L.2003, c.246 (C.26:8A-3).

3 (m) "Civil union" means a civil union as defined in section 2 of
4 P.L.2006, c.103 (C.37:1-29).

5 (n) "Family member" means a child, spouse, domestic partner,
6 civil union partner or parent of a covered individual.

7 (o) "Family temporary disability leave" means leave taken by a
8 covered individual from work with an employer to (1) participate in
9 the providing of care for a family member of the individual made
10 necessary by a serious health condition of the family member,
11 including providing psychological comfort and arranging third party
12 care for the family member; or (2) be with a child during the first 12
13 months after the child's birth, if the individual, or the domestic
14 partner or civil union partner of the individual, is a biological parent
15 of the child, or the first 12 months after the placement of the child
16 for adoption with the individual. "Family temporary disability
17 leave" does not include any period of time in which a covered
18 individual is paid benefits pursuant to P.L.1948, c.110 (C.43:21-25
19 et seq.) because the individual is unable to perform the duties of the
20 individual's employment due to the individual's own disability.

21 (p) "Health care provider" means a health care provider as
22 defined in the "Family Leave Act", P.L.1989, c.261 (C.34:11B-1 et
23 seq., and any regulations adopted pursuant to that act.

24 (q) "Parent of a covered individual" means a biological parent,
25 foster parent, adoptive parent, or stepparent of the covered
26 individual or a person who was a legal guardian of the covered
27 individual when the covered individual was a child.

28 (r) "Placement for adoption" means the time when a covered
29 individual adopts a child or becomes responsible for a child pending
30 adoption by the covered individual.

31 (s) "Serious health condition" means an illness, injury,
32 impairment or physical or mental condition which requires:
33 inpatient care in a hospital, hospice, or residential medical care
34 facility; or continuing medical treatment or continuing supervision
35 by a health care provider.

36 (t) "12-month period" means, with respect to an individual who
37 establishes a valid claim for disability benefits during a period of
38 family temporary disability leave, the 365 consecutive days that
39 begin with the first day that the individual first establishes the
40 claim.

41 (cf: P.L.2001, c.17, s. 3)

42
43 3. Section 5 of P.L.1948, c.110 (C.43:21-29) is amended to
44 read as follows:

45 5. Compensable disability. **【Disability】** (a) In the case of the
46 disability of a covered individual, disability shall be compensable
47 subject to the limitations of this act【, where a】 if the disability is
48 the result of the covered individual 【suffers any】 suffering an

1 accident or sickness not arising out of and in the course of the
2 individual's employment or if so arising not compensable under the
3 workers' compensation law [(Title 34 of the Revised Statutes)]
4 R.S.34:15-1 et seq., and resulting in the individual's total inability
5 to perform the duties of employment.

6 (b) In the case of an individual taking family temporary
7 disability leave, the leave shall be compensable subject to the
8 limitations of P.L. , c. (C.)(pending before the
9 Legislature as this bill).

10 (cf: P.L.1980, c.90, s.13)

11

12 4. Section 11 of P.L.1948, c.110 (C.43:21-35) is amended to
13 read as follows:

14 11. (a) If the division is furnished satisfactory evidence that a
15 majority of the employees covered by an approved private plan
16 have made election in writing to discontinue such plan, the division
17 shall withdraw its approval of such plan effective at the end of the
18 calendar quarter next succeeding that in which such evidence is
19 furnished. Upon receipt of a petition therefor signed by not less
20 than 10% of the employees covered by an approved private plan,
21 the division shall require the employer upon 30 days' written notice
22 to conduct an election by ballot in writing to determine whether or
23 not a majority of the employees covered by such private plan favor
24 discontinuance thereof; provided, that such election shall not be
25 required more often than once in any 12-month period.

26 (b) Unless sooner permitted, for cause, by the division, no
27 approved private plan shall be terminated by an employer, in whole
28 or in part, until at least 30 days after written notice of intention so
29 to do has been given by the employer to the division and after
30 notices are conspicuously posted so as reasonably to assure their
31 being seen, or after individual notices are given to the employees
32 concerned.

33 (c) The division may, after notice and hearing, withdraw its
34 approval of any approved private plan if it finds that there is danger
35 that the benefits accrued or to accrue will not be paid, that the
36 security for such payment is insufficient, or for other good cause
37 shown. No employer, and no union or association representing
38 employees, shall so administer or apply the provisions of an
39 approved private plan as to derive any profit therefrom. The
40 division may withdraw its approval from any private plan which is
41 administered or applied in violation of this provision.

42 (d) No termination of an approved private plan shall affect the
43 payment of benefits, in accordance with the provisions of the plan,
44 to [disabled] employees whose period of disability commenced
45 prior to the date of termination. Employees who have ceased to be
46 covered by an approved private plan because of its termination
47 shall, subject to the limitations and restrictions of this act, become
48 eligible forthwith for benefits from the State Disability Benefits

1 Fund for a period of disability commencing after such cessation,
2 and contributions with respect to their wages shall immediately
3 become payable as otherwise provided by law. Any withdrawal of
4 approval of a private plan pursuant to this section shall be
5 reviewable by writ of certiorari or by such other procedure as may
6 be provided by law. With respect to a period of family temporary
7 disability leave immediately after the individual has a period of
8 disability during the individual's own disability, the period of
9 disability is deemed, for the purposes of determining whether the
10 period of disability commenced prior to the date of the termination,
11 to have commenced at the beginning of the period of disability
12 during the individual's own disability, not the period of family
13 temporary disability leave.

14 (e) Anything in this act to the contrary notwithstanding, a
15 covered employer who, under an approved private plan, is
16 providing benefits at least equal to those required by the State plan,
17 may modify the benefits under the private plan so as to provide
18 benefits not less than the benefits required by the State plan[;
19 provided, that individuals]. Individuals covered under [such] a
20 private plan shall not be required to contribute to [such] the plan at
21 a rate exceeding 3/4 of 1% of the amount of "wages" established for
22 any calendar year under the provisions of R.S.43:21-7(b) prior to
23 January 1, 1975, and 1/2 of 1% for calendar years beginning on or
24 after January 1, 1975. For a calendar year beginning on or after
25 January 1, 2009: an employer providing a private plan only for
26 benefits for employees during their own disabilities may require the
27 employees to contribute to the plan at a rate not exceeding 0.5% of
28 the amount of "wages" established for the calendar year under the
29 provisions of R.S.43:21-7(b); an employer providing a private plan
30 only for benefits for employees during periods of family temporary
31 disability may require the individuals covered by the private plan to
32 contribute an amount not exceeding the amount the individuals
33 would pay pursuant to R.S.43:21-7(d)(1)(G)(ii); an employer
34 providing a private plan both for benefits for employees during their
35 own disabilities and for benefits during periods of family temporary
36 disability may require the employees to contribute to the plan at a
37 rate not exceeding 0.5% of the amount of "wages" established for
38 the calendar year under the provisions of R.S.43:21-7(b) plus an
39 additional amount not exceeding the amount the individuals would
40 pay pursuant to R.S.43:21-7(d)(1)(G)(ii). Notification of [such]
41 the proposed modification shall be given by the employer to the
42 division and to the individuals covered under [such] the plan[, on
43 or before May 1, 1975].

44 (cf: P.L.1974, c.86, s.8)

45

46 5. Section 14 of P.L.1948, c.110 (C.43:21-38) is amended to
47 read as follows:

48 14. Duration of benefits.

1 With respect to **【periods】** any period of disability for an
2 individual's own disability commencing on or after January 1,
3 1953, disability benefits, not in excess of an individual's maximum
4 benefits, shall be payable with respect to disability which
5 commences while a person is a covered individual under the
6 Temporary Disability Benefits Law, and shall be payable with
7 respect to the eighth consecutive day of such disability and each
8 day thereafter that such period of disability continues; and if
9 benefits shall be payable for three consecutive weeks with respect
10 to any period of disability commencing on or after January 1, 1968,
11 then benefits shall also be payable with respect to the first seven
12 days thereof. With respect to any period of family temporary
13 disability leave commencing on or after July 1, 2009 and while an
14 individual is a covered individual, family temporary disability
15 benefits, not in excess of the individual's maximum benefits, shall
16 be payable with respect to the first day of leave taken after the first
17 one-week period following the commencement of the period of
18 family temporary disability leave and each subsequent day of leave
19 during that period of family temporary disability leave; and if
20 benefits become payable on any day after the first three weeks in
21 which leave is taken, then benefits shall also be payable with
22 respect to any leave taken during the first one-week period in which
23 leave is taken. The maximum total benefits payable to any eligible
24 individual for any period of disability of the individual commencing
25 on or after January 1, 1968, shall be either 26 times his weekly
26 benefit amount or 1/3 of his total wages in his base year, whichever
27 is the lesser; provided that such maximum amount shall be
28 computed in the next lower multiple of \$1.00 if not already a
29 multiple thereof. The maximum total benefits payable to any
30 eligible individual for any period of family temporary disability
31 leave commencing on or after July 1, 2009, shall be six times the
32 individual's weekly benefit amount or 1/3 of his total wages in his
33 base year, whichever is the lesser; provided that the maximum
34 amount shall be computed in the next lower multiple of \$1.00, if not
35 already a multiple thereof.

36 (cf: P.L.1984, c.104, s.2)

37

38 6. Section 15 of P.L.1948, c.110 (C.43:21-39) is amended to
39 read as follows:

40 15. Limitation of benefits. Notwithstanding any other provision
41 of the "Temporary Disability Benefits Law," P.L.1948, c.110
42 (C.43:21-25 et seq.), no benefits shall be payable under the State
43 plan to any **【person】** individual:

44 (a) for the first seven consecutive days of each period of
45 disability; except that:

46 (1) if benefits shall be payable for three consecutive weeks with
47 respect to any period of disability **【commencing on or after January**

1 1, 1968], then benefits shall also be payable with respect to the first
2 seven days thereof;

3 (2) in the case of intermittent leave in a single period of family
4 temporary disability leave taken to provide care for a family
5 member of the individual with a serious health condition, benefits
6 shall be payable with respect to the first day of leave taken after the
7 first one-week period following the commencement of the period of
8 family temporary disability leave and each subsequent day of leave
9 during that period of family temporary disability leave; and if
10 benefits become payable on any day after the first three weeks in
11 which leave is taken, then benefits shall also be payable with
12 respect to any leave taken during the first one-week period in which
13 leave is taken, and

14 (3) in the case of an individual taking family temporary
15 disability leave immediately after the individual has a period of
16 disability for the individual's own disability, there shall be no
17 waiting period between the period of the individual's own disability
18 and the period of family temporary disability.

19 (b) (1) for more than 26 weeks with respect to any one period
20 of disability of the individual;

21 (2) for more than six weeks with respect to any one period of
22 family temporary disability leave, or more than 42 days with respect
23 to any one period of family temporary disability leave taken on an
24 intermittent basis to provide care for a family member of the
25 individual with a serious health condition; and

26 (3) for more than six weeks of family temporary disability leave
27 during any 12-month period, or more than 42 days of family
28 temporary disability leave taken during any 12-month period, on an
29 intermittent basis to provide care for a family member of the
30 individual with a serious health condition, including family
31 temporary disability leave taken pursuant to R.S.43:21-4(f)(2) while
32 unemployed.

33 (c) for any period of disability which did not commence while
34 the claimant was a covered individual;

35 (d) for any period of disability of a claimant during which the
36 claimant is not under the care of a legally licensed physician,
37 dentist, optometrist, podiatrist, practicing psychologist, advanced
38 practice nurse, or chiropractor, who, when requested by the
39 division, shall certify within the scope of the practitioner's practice,
40 the disability of the claimant, the probable duration thereof, and,
41 where applicable, the medical facts within the practitioner's
42 knowledge or for any period of family temporary disability leave
43 for a serious health condition of a family member of the claimant,
44 during which the family member is not receiving inpatient care in a
45 hospital, hospice, or residential medical care facility or is not
46 subject to continuing medical treatment or continuing supervision
47 by a health care provider, who, when requested by the division,
48 shall certify within the scope of the provider's practice, the serious

1 health condition of the family member, the probable duration
 2 thereof, and, where applicable, the medical facts within the
 3 provider's knowledge;

4 (e) (Deleted by amendment, P.L.1980, c.90.)

5 (f) for any period of disability due to willfully and intentionally
 6 self-inflicted injury, or to injury sustained in the perpetration by the
 7 claimant of a crime of the first, second, third, or fourth degree, or
 8 for any period during which a covered individual would be
 9 disqualified for unemployment compensation benefits for gross
 10 misconduct under subsection (b) of R.S.43:21-5;

11 (g) for any period during which the claimant performs any work
 12 for remuneration or profit;

13 (h) in a weekly amount which together with any remuneration
 14 the claimant continues to receive from the employer would exceed
 15 regular weekly wages immediately prior to disability;

16 (i) for any period during which a covered individual would be
 17 disqualified for unemployment compensation benefits under
 18 subsection (d) of R.S.43:21-5, unless the disability commenced
 19 prior to such disqualification; and there shall be no other cause of
 20 disqualification or ineligibility to receive disability benefits
 21 hereunder except as may be specifically provided in this act.

22 (cf: P.L.2007, c.322, s.1)

23

24 7. Section 17 of P.L.1948, c.110 (C.43:21-41) is amended to
 25 read as follows:

26 17. (a) (Deleted by amendment, P.L.1975, c.355.)

27 (b) (Deleted by amendment, P.L.2001, c.17).

28 (c) (Deleted by amendment, P.L.2001, c.17).

29 (d) (1) **【**With respect to periods of disability commencing on or
 30 after October 1, 1984 and before January 1, 2001, no individual
 31 shall be entitled to benefits under this act unless the individual has
 32 established at least 20 base weeks within the 52 calendar weeks
 33 preceding the week in which the individual's period of disability
 34 commenced, or, in the alternative, the individual has earned twelve
 35 times the Statewide average weekly remuneration paid to workers,
 36 as determined under subsection (c) of R.S. 43:21-3, raised to the
 37 next higher multiple of \$100.00, if not already a multiple thereof, or
 38 more within the 52 calendar weeks preceding the week in which the
 39 period of disability commenced, nor shall the individual be entitled
 40 to benefits unless he shall duly file notice and proof of claim, and
 41 submit to such reasonable examinations as are required by this act
 42 and the rules and regulations of the division.**】** (Deleted by
 43 amendment, P.L. , c.)(pending before the Legislature as this
 44 bill)

45 (2) With respect to periods of disability commencing on or after
 46 January 1, 2001, no individual shall be entitled to benefits under
 47 this act unless the individual has, within the 52 calendar weeks
 48 preceding the week in which the individual's period of disability

1 commenced, established at least 20 base weeks or earned not less
2 than 1,000 times the minimum wage in effect pursuant to section 5
3 of P.L.1996, c.113 (C.34:11-56a4) on October 1 of the calendar
4 year preceding the calendar year in which the disability commences,
5 which amount shall be adjusted to the next higher multiple of
6 \$100.00, if not already a multiple thereof.

7 (e) With respect to a period of family temporary disability leave
8 for an individual who has a period of family temporary disability
9 immediately after the individual has a period of disability for the
10 individual's own disability, the period of disability is deemed, for
11 the purposes of specifying the time of the 52-week period in which
12 base weeks or earnings are required to be established for benefit
13 eligibility pursuant to this subsection (e), to have commenced at the
14 beginning of the period of disability for the individual's own
15 disability, not the period of family temporary disability.

16 (cf: P.L.2001, c.17, s.4)

17

18 8. Section 31 of P.L.1948, c.110 (C.43:21-55) is amended to
19 read as follows:

20 31. Penalties. (a) Whoever makes a false statement or
21 representation knowing it to be false or knowingly fails to disclose
22 a material fact, and each such false statement or representation or
23 failure to disclose a material fact shall constitute a separate offense,
24 to obtain or increase any disability benefit under the State plan or
25 an approved private plan, or for a disability during unemployment,
26 including any benefit during a period of family temporary disability
27 leave, either for himself or for any other person, shall be liable for a
28 fine of twenty dollars (\$20.00) to be paid to the division. Upon
29 refusal to pay such fine, the same shall be recovered in a civil
30 action by the division in the name of the State of New Jersey. If in
31 any case liability for the payment of a fine as aforesaid shall be
32 determined, any person who shall have received any benefits
33 hereunder by reason of the making of such false statements or
34 representations or failure to disclose a material fact, shall not be
35 entitled to any benefits under this act for any disability occurring
36 prior to the time he shall have discharged his liability hereunder to
37 pay such fine.

38 (b) Any employer or any officer or agent of any employer or
39 any other person who makes a false statement or representation
40 knowing it to be false or knowingly fails to disclose a material fact,
41 to prevent or reduce the benefits to any person entitled thereto, or to
42 avoid becoming or remaining subject hereto or to avoid or reduce
43 any contribution or other payment required from an employer under
44 this act, or who willfully fails or refuses to make any such
45 contributions or other payment or to furnish any reports required
46 hereunder or to produce or permit the inspection or copying of
47 records as required hereunder, shall be liable for a fine of twenty
48 dollars (\$20.00) to be paid to the division. Upon refusal to pay such

1 fine, the same shall be recovered in a civil action by the division in
2 the name of the State of New Jersey.

3 (c) Any person who shall willfully violate any provision hereof
4 or any rule or regulation made hereunder, for which a fine is neither
5 prescribed herein nor provided by any other applicable statute, shall
6 be liable to a fine of fifty dollars (\$50.00) to be paid to the division.
7 Upon the refusal to pay such fine, the same shall be recovered in a
8 civil action by the division in the name of the State of New Jersey.

9 (d) Any person, employing unit, employer or entity violating
10 any of the provisions of the above subsections with intent to
11 defraud the division shall in addition to the penalties hereinbefore
12 described, be liable for each offense upon conviction before the
13 Superior Court or any municipal court for a fine not to exceed two
14 hundred fifty dollars (\$250.00) or by imprisonment for a term not to
15 exceed ninety days, or both, at the discretion of the court. The fine
16 upon conviction shall be payable to the State disability benefits
17 fund of the division. Any penalties imposed by this subsection shall
18 be in addition to those otherwise prescribed in this chapter
19 (R.S.43:21-1 et seq.).

20 (cf: P.L.1997, c.318, s.1.)

21

22 9. Section 2 of P.L.1997, c.318 (C.43:21-55.1) is amended to
23 read as follows:

24 2. (a) If it is determined by the division that an individual for
25 any reason has received, under the State plan, an approved private
26 plan or for a disability during unemployment, any sum of disability
27 benefits, including benefits during a period of family temporary
28 disability leave, to which the individual was not entitled, the
29 individual shall, except as provided in subsection (b) of this section,
30 be liable to repay the sum in full. Except as provided in subsection
31 (b) of this section, the sum that the individual is liable to repay shall
32 be deducted from future benefits payable to the individual under
33 this act (C.43:21-25 et seq.) or subsection (f) of R.S.43:21-4, or
34 shall be repaid by the individual to the division, the employer or the
35 insurer, and that sum shall be collectible in the manner provided for
36 by law, including, but not limited to, the filing of a certificate of
37 debt with the Clerk of the Superior Court of New Jersey; except that
38 no individual who does not knowingly misrepresent or withhold any
39 material fact to obtain benefits shall be liable for any repayments or
40 deductions against future benefits unless notified before four years
41 have elapsed from the time the benefits in question were paid. The
42 division shall promptly notify the individual by mail of the
43 determination and the reasons for the determination. Unless the
44 individual files an appeal of the determination within 20 calendar
45 days following the receipt of the notice, or, within 24 days after the
46 notice was mailed to the individual's last known address, the
47 determination shall be final.

1 (b) If the individual received the overpayment of benefits
2 because of error made by the division, the employer or the
3 physician, and if the individual did not knowingly misrepresent or
4 withhold any material fact to obtain the benefits, the following
5 limits shall apply:

6 (1) The amount withheld from any subsequent benefit check
7 shall be an amount not greater than 50% of the amount of the check;
8 and

9 (2) All repayments of the overpayments by the individual or the
10 estate of the individual shall be waived if the individual is deceased
11 or permanently disabled.

12 Any demand for repayment from an individual pursuant to this
13 subsection shall include an explanation of the provisions of this
14 subsection.

15 (cf: P.L.1997, c.318, s.2)

16

17 10. (New section) a. Family temporary disability leave shall be
18 compensable subject to the limitations of P.L. , c. (C.)
19 (pending before the Legislature as this bill) for any period of family
20 temporary disability leave taken by a covered individual which
21 commences after June 30, 2009.

22 b. An individual shall not simultaneously receive disability
23 benefits for family temporary disability leave and any other
24 disability benefits pursuant to P.L.1948, c.110 (C.43:21-25 et seq.)
25 or any unemployment compensation.

26 c. The employer of an individual may, notwithstanding any
27 other provision of law, including the provisions of N.J.S.18A:30-1
28 et seq., permit or require the individual, during a period of family
29 temporary disability leave, to use any paid sick leave, vacation time
30 or other leave at full pay made available by the employer before the
31 individual is eligible for disability benefits for family temporary
32 disability leave pursuant to P.L. , c. (C.) (pending before the
33 Legislature as this bill), except that the employer may not require
34 the individual to use more than two weeks worth of leave at full
35 pay. The employer may also have the total number of days worth of
36 disability benefits paid pursuant to P.L. , c. (C.) (pending
37 before the Legislature as this bill) to the individual during a period
38 of family temporary disability leave reduced by the number of days
39 of leave at full pay paid by the employer to the individual during
40 that period. If the employer requires the individual to use leave at
41 full pay, the employee shall be permitted to take that fully-paid
42 leave during the waiting period required pursuant to subsection (a)
43 of section 15 of P.L.1948, c.110 (C.43:21-39). Nothing in
44 P.L. , c. (C.) (pending before the Legislature as this bill)
45 shall be construed as nullifying any provision of an existing
46 collective bargaining agreement or employer policy, or preventing
47 any new provision of a collective bargaining agreement or employer
48 policy, which provides employees more generous leave or gives

1 employees greater rights to select which kind of leave is used or
2 select the order in which the different kinds of leave are used.
3 Nothing in P.L. , c. (C.) (pending before the Legislature as
4 this bill) shall be construed as preventing an employer from
5 providing more generous benefits than are provided under
6 P.L. , c. (C.) (pending before the Legislature as this bill) or
7 providing benefits which supplement the benefits provided under
8 P.L. , c. (C.) (pending before the Legislature as this bill) for
9 some or all of the employer's employees.

10 d. An individual who is entitled to leave under the provisions
11 of the "Family Leave Act," P.L.1989, c.261 (C.34:11B-1 et seq.) or
12 the federal "Family and Medical Leave Act of 1993," Pub.L.103-3
13 (29U.S.C. s.2601 et seq.), shall take any benefits provided for
14 family temporary disability leave pursuant to P.L. , c. (C.)
15 (pending before the Legislature as this bill) concurrently with leave
16 taken pursuant to the "Family Leave Act," P.L.1989, c.261
17 (C.34:11B-1 et seq.) or the federal "Family and Medical Leave Act
18 of 1993," Pub.L.103-3 (29U.S.C. s.2601 et seq.). Nothing in
19 P.L. , c. (C.) (pending before the Legislature as this bill)
20 shall be construed to grant an employee any entitlement to be
21 restored by the employer to employment held by the employee prior
22 to taking family temporary disability leave or any right to take
23 action against an employer who refuses to restore the employee to
24 employment after the leave. Nothing in P.L. , c. (C.)
25 (pending before the Legislature as this bill) shall be construed to
26 increase, reduce or otherwise modify any entitlement of an
27 employee to return to employment or right of the employee to take
28 action under the provisions of the "Family Leave Act," P.L.1989,
29 c.261 (C.34:11B-1 et seq.) or the federal "Family and Medical
30 Leave Act of 1993," Pub.L.103-3 (29U.S.C. s.2601 et seq.).

31 e. An employee taking family temporary disability leave or an
32 employer from whom the employee is taking the leave shall have
33 the same right to appeal a determination of a benefit for the family
34 temporary disability leave made under P.L. , c. (C.)
35 (pending before the Legislature as this bill) as an employee or
36 employer has to appeal a determination of a benefit for the
37 disability of the employee under the "Temporary Disability Benefits
38 Law," P.L.1948, c.110 (C.43:21-25 et seq.), and any regulations
39 adopted pursuant to the "Temporary Disability Benefits Law,"
40 P.L.1948, c.110 (C.43:21-25 et seq.).

41 f. In the event of a period of family temporary disability leave
42 of any individual covered under the State plan, the employer shall,
43 not later than the ninth day of the period of family temporary
44 disability leave, including any waiting period or time in which the
45 employer provides sick leave, vacation or other fully paid leave,
46 issue to the individual and to the division printed notices on
47 division forms containing the name, address and Social Security
48 number of the individual, such wage information as the division

1 may require to determine the individual's eligibility for benefits,
2 including any sick pay, vacation or other fully paid time off
3 provided by the employer during the period of family temporary
4 disability leave, and the name, address, and division identity
5 number of the employer. Not later than 30 days after the
6 commencement of the period of family temporary disability leave
7 for which the notice is furnished by the employer, the individual
8 shall furnish to the division a notice and claim for family temporary
9 disability leave benefits. Upon the submission of the notices by the
10 employer and the individual, the division may issue benefit
11 payments. In the case of family temporary disability leave taken to
12 care for a family member with a serious health condition, the
13 benefits may be paid for periods not exceeding three weeks pending
14 the receipt of the certification required pursuant to subsection b. of
15 section 11 of P.L. , c. (C.) (pending before the Legislature
16 as this bill). Failure to furnish notice and certification in the
17 manner above provided shall not invalidate or reduce any claim if it
18 shall be shown to the satisfaction of the division not to have been
19 reasonably possible to furnish the notice and certification and that
20 the notice and certification was furnished as soon as reasonably
21 possible.

22 g. Each covered employer shall conspicuously post
23 notification, in a place or places accessible to all employees in each
24 of the employer's workplaces, in a form issued in regulation
25 promulgated by the commissioner, of each covered employee's
26 rights regarding benefits payable pursuant to this section. The
27 employer shall also provide each employee of the employer with a
28 written copy of the notification: (1) not later than 30 days after the
29 form of the notification is issued by regulation; (2) at the time of the
30 employee's hiring, if the employee is hired after the issuance; (3)
31 whenever the employee notifies the employer that the employee is
32 taking time off for circumstances under which the employee is
33 eligible for benefits pursuant to this section; and (4) at any time,
34 upon the first request of the employee.

35
36 11. (New section) a. In the case of a family member who has a
37 serious health condition, the benefits for family temporary disability
38 leave may be taken intermittently when medically necessary, if: the
39 total time within which the leave is taken does not exceed 12
40 months; the covered individual provides the employer with a copy
41 of the certification required pursuant to subsection b. of this section;
42 the covered individual provides the employer with prior notice of
43 the leave not less than 15 days before the first day on which
44 benefits are paid for the intermittent leave, unless an emergency or
45 other unforeseen circumstance precludes prior notice; and the
46 covered individual makes a reasonable effort to schedule the leave
47 so as not to unduly disrupt the operations of the employer and, if
48 possible, provide the employer, prior to the commencement of

1 intermittent leave, with a regular schedule of the days or days of the
2 week on which the intermittent leave will be taken. In the case of
3 family temporary disability leave benefits to care for a family
4 member with a serious health condition which are taken on a
5 continuous, non-intermittent basis, the covered individual shall:
6 provide the employer with prior notice of the leave in a reasonable
7 and practicable manner, unless an emergency or other unforeseen
8 circumstance precludes prior notice; provide a copy of the
9 certification required pursuant to subsection b. of this section; make
10 a reasonable effort to schedule the leave so as not to unduly disrupt
11 the operations of the employer.

12 b. Any period of family temporary disability leave for the
13 serious health condition of a family member of the covered
14 individual shall be supported by certification provided by a health
15 care provider. The certification shall be sufficient if it states:

16 (1) The date, if known, on which the serious health condition
17 commenced;

18 (2) The probable duration of the condition;

19 (3) The medical facts within the knowledge of the provider of
20 the certification regarding the condition;

21 (4) A statement that the serious health condition warrants the
22 participation of the covered individual in providing health care,
23 including providing psychological comfort and arranging third party
24 care for the family member;

25 (5) An estimate of the amount of time that the covered
26 individual is needed for participation in the care of the family
27 member;

28 (6) If the leave is intermittent, a statement of the medical
29 necessity for the intermittent leave and the expected duration of the
30 intermittent leave; and

31 (7) If the leave is intermittent and for planned medical
32 treatment, the dates of the treatment.

33 c. A covered individual claiming benefits to provide care for a
34 family member with a serious health condition under the State plan
35 or during unemployment shall, if requested by the division, have the
36 family member submit to an examination by a health care provider
37 designated by the division. The examinations shall not be more
38 frequent than once a week, shall be made without cost to the
39 claimant and shall be held at a reasonable time and place. Refusal
40 of the family member to submit to an examination requested
41 pursuant to this subsection shall disqualify the claimant from all
42 benefits for the period in question, except from benefits already
43 paid.

44

45 12. (New section) a. All of the disability benefits paid to a
46 covered individual during a period of family temporary disability
47 leave with respect to any one birth or adoption shall be for a single
48 continuous period of time, except that the employer of the covered

1 individual may permit the covered individual to receive the
2 disability benefits during non-consecutive weeks in a manner
3 mutually agreed to by the employer and the covered individual and
4 disclosed to the division by the employer.

5 b. The covered individual shall provide the employer with
6 notice of the period of family temporary disability leave with
7 respect to birth or adoption not less than 30 days before the leave
8 commences, unless it commences while the individual is receiving
9 unemployment benefits, in which case the covered individual shall
10 notify the division. The amount of benefits shall be reduced by two
11 weeks worth of benefits if the individual does not provide notice to
12 an employer as required by this subsection b., unless the time of the
13 leave is unforeseeable or the time of the leave changes for
14 unforeseeable reasons.

15 c. Family temporary disability leave taken because of the birth
16 or placement for adoption of a child may be taken at any time
17 within a year after the date of the birth or placement for adoption.

18

19 13. (New section) a. The Commissioner of Labor and
20 Workforce Development shall issue and make available to the
21 public, not later than December 31, 2010, and each subsequent year,
22 annual reports providing data on temporary disability benefits,
23 including separate data for claims involving pregnancy and
24 childbirth, and family temporary disability benefits, including
25 separate data for each of the following categories of claims: care of
26 newborn children; care of newly adopted children; care of sick
27 children; care of sick spouses, and care of other sick family
28 members. The reports shall include, for each category of claims,
29 the number of workers receiving the benefits, the amount of
30 benefits paid, the average duration of benefits, the average weekly
31 benefit, and, in the case of family temporary disability benefits, any
32 reported amount of sick leave, vacation or other fully paid time
33 which resulted in reduced benefit duration. The report shall provide
34 data by gender and by any other demographic factors determined to
35 be relevant by the commissioner. The reports shall also provide, for
36 all temporary disability benefits and for all family temporary
37 disability benefits, the total costs of benefits and the total cost of
38 administration, the portion of benefits for claims during
39 unemployment, and the total revenues from: employer assessments,
40 where applicable; employee assessments; and other sources.

41 b. The commissioner may, in his discretion, conduct surveys
42 and other research regarding, and include in the annual reports
43 descriptions and evaluations of, the impact and potential future
44 impact of the provisions of P.L. , c. (C.) (pending before the
45 Legislature as this bill) on the State disability benefits fund, and
46 other effects of those provisions, including the costs and benefits
47 resulting from the provisions of P.L. , c. (C.) (pending before
48 the Legislature as this bill) for:

1 (1) Employees and their families, including surveys and
2 evaluations of: what portion of the total number of employees
3 taking leave would not have taken leave, or would have taken less
4 leave, without the availability of benefits; what portion of
5 employees return to work after receiving benefits and what portion
6 are not permitted to return to work; and what portion of employees
7 who are eligible for benefits do not claim or receive them and why
8 they do not;

9 (2) Employers, including benefits such as reduced training and
10 other costs related to reduced turnover of personnel, and increased
11 affordability of family temporary disability leave insurance through
12 the State plan, with special attention given to small businesses; and

13 (3) The public, including savings caused by any reduction in the
14 number of people receiving public assistance.

15 c. The total amount of any expenses which the commissioner
16 determines are necessary to carry out its duties pursuant to this
17 section shall be charged to the Family Temporary Disability Leave
18 Account of the State disability benefits fund, except that the amount
19 shall in no case exceed \$150,000 during any fiscal year.

20
21 14. R.S.43:21-4 is amended to read as follows:

22 43:21-4. Benefit eligibility conditions. An unemployed
23 individual shall be eligible to receive benefits with respect to any
24 week only if:

25 (a) The individual has filed a claim at an unemployment
26 insurance claims office and thereafter continues to report at an
27 employment service office or unemployment insurance claims
28 office, as directed by the division in accordance with such
29 regulations as the division may prescribe, except that the division
30 may, by regulation, waive or alter either or both of the requirements
31 of this subsection as to individuals attached to regular jobs, and as
32 to such other types of cases or situations with respect to which the
33 division finds that compliance with such requirements would be
34 oppressive, or would be inconsistent with the purpose of this act;
35 provided that no such regulation shall conflict with subsection (a) of
36 R.S.43:21-3.

37 (b) The individual has made a claim for benefits in accordance
38 with the provisions of subsection (a) of R.S.43:21-6.

39 (c) (1) The individual is able to work, and is available for work,
40 and has demonstrated to be actively seeking work, except as
41 hereinafter provided in this subsection or in subsection (f) of this
42 section.

43 (2) The director may modify the requirement of actively seeking
44 work if such modification of this requirement is warranted by
45 economic conditions.

46 (3) No individual, who is otherwise eligible, shall be deemed
47 ineligible, or unavailable for work, because the individual is on
48 vacation, without pay, during said week, if said vacation is not the

1 result of the individual's own action as distinguished from any
2 collective action of a collective bargaining agent or other action
3 beyond the individual's control.

4 (4) (A) Subject to such limitations and conditions as the division
5 may prescribe, an individual, who is otherwise eligible, shall not be
6 deemed unavailable for work or ineligible because the individual is
7 attending a training program approved for the individual by the
8 division to enhance the individual's employment opportunities or
9 because the individual failed or refused to accept work while
10 attending such program.

11 (B) For the purpose of this paragraph (4), any training program
12 shall be regarded as approved by the division for the individual if
13 the program and the individual meet the following requirements:

14 (i) The training is for a labor demand occupation and is likely to
15 enhance the individual's marketable skills and earning power;

16 (ii) The training is provided by a competent and reliable private
17 or public entity approved by the Commissioner of Labor and
18 Workforce Development pursuant to the provisions of section 8 of
19 the "1992 New Jersey Employment and Workforce Development
20 Act," P.L.1992, c.43 (C.34:15D-8);

21 (iii) The individual can reasonably be expected to complete the
22 program, either during or after the period of benefits;

23 (iv) The training does not include on the job training or other
24 training under which the individual is paid by an employer for work
25 performed by the individual during the time that the individual
26 receives benefits; and

27 (v) The individual enrolls in vocational training, remedial
28 education or a combination of both on a full-time basis.

29 (C) If the requirements of subparagraph (B) of this paragraph (4)
30 are met, the division shall not withhold approval of the training
31 program for the individual for any of the following reasons:

32 (i) The training includes remedial basic skills education
33 necessary for the individual to successfully complete the vocational
34 component of the training;

35 (ii) The training is provided in connection with a program under
36 which the individual may obtain a college degree, including a post-
37 graduate degree;

38 (iii) The length of the training period under the program; or

39 (iv) The lack of a prior guarantee of employment upon
40 completion of the training.

41 (D) For the purpose of this paragraph (4), "labor demand
42 occupation" means an occupation for which there is or is likely to
43 be an excess of demand over supply for adequately trained workers,
44 including, but not limited to, an occupation designated as a labor
45 demand occupation by the **[New Jersey] Center for Occupational**
46 **Employment Information [Coordinating Committee]** pursuant to
47 the provisions of subsection **[h.] d.** of section **[1** of P.L.1987, c.457

1 (C.34:1A-76) or section 12 of P.L.1992, c.43 (C.34:1A-78)] 27 of
2 P.L.2005, c.354 (C.34:1A-86).

3 (5) An unemployed individual, who is otherwise eligible, shall
4 not be deemed unavailable for work or ineligible solely by reason of
5 the individual's attendance before a court in response to a summons
6 for service on a jury.

7 (6) An unemployed individual, who is otherwise eligible, shall
8 not be deemed unavailable for work or ineligible solely by reason of
9 the individual's attendance at the funeral of an immediate family
10 member, provided that the duration of the attendance does not
11 extend beyond a two-day period.

12 For purposes of this paragraph, "immediate family member"
13 includes any of the following individuals: father, mother, mother-
14 in-law, father-in-law, grandmother, grandfather, grandchild, spouse,
15 child, child placed by the Division of Youth and Family Services in
16 the Department of Children and Families, sister or brother of the
17 unemployed individual and any relatives of the unemployed
18 individual residing in the unemployed individual's household.

19 (7) No individual, who is otherwise eligible, shall be deemed
20 ineligible or unavailable for work with respect to any week because,
21 during that week, the individual fails or refuses to accept work
22 while the individual is participating on a full-time basis in self-
23 employment assistance activities authorized by the division,
24 whether or not the individual is receiving a self-employment
25 allowance during that week.

26 (8) Any individual who is determined to be likely to exhaust
27 regular benefits and need reemployment services based on
28 information obtained by the worker profiling system shall not be
29 eligible to receive benefits if the individual fails to participate in
30 available reemployment services to which the individual is referred
31 by the division or in similar services, unless the division determines
32 that:

33 (A) The individual has completed the reemployment services; or
34 (B) There is justifiable cause for the failure to participate, which
35 shall include participation in employment and training, self-
36 employment assistance activities or other activities authorized by
37 the division to assist reemployment or enhance the marketable skills
38 and earning power of the individual and which shall include any
39 other circumstance indicated pursuant to this section in which an
40 individual is not required to be available for and actively seeking
41 work to receive benefits.

42 (9) An unemployed individual, who is otherwise eligible, shall
43 not be deemed unavailable for work or ineligible solely by reason of
44 the individual's work as a board worker for a county board of
45 elections on an election day.

46 (d) With respect to any benefit year commencing before January
47 1, 2002, the individual has been totally or partially unemployed for
48 a waiting period of one week in the benefit year which includes that

1 week. When benefits become payable with respect to the third consecutive week next following the waiting period, the individual shall be eligible to receive benefits as appropriate with respect to the waiting period. No week shall be counted as a week of unemployment for the purposes of this subsection:

6 (1) If benefits have been paid, or are payable with respect thereto; provided that the requirements of this paragraph shall be waived with respect to any benefits paid or payable for a waiting period as provided in this subsection;

10 (2) If it has constituted a waiting period week under the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.);

13 (3) Unless the individual fulfills the requirements of subsections (a) and (c) of this section;

15 (4) If with respect thereto, claimant was disqualified for benefits in accordance with the provisions of subsection (d) of R.S.43:21-5.

17 The waiting period provided by this subsection shall not apply to benefit years commencing on or after January 1, 2002. An individual whose total benefit amount was reduced by the application of the waiting period to a claim which occurred on or after January 1, 2002 and before the effective date of P.L.2002, c.13, shall be permitted to file a claim for the additional benefits attributable to the waiting period in the form and manner prescribed by the division, but not later than the 180th day following the effective date of P.L.2002, c.13 unless the division determines that there is good cause for a later filing.

27 (e) (1)(Deleted by amendment, P.L.2001, c.17).

28 (2) **【**With respect to benefit years commencing on or after January 1, 1996 and before January 7, 2001, except as otherwise provided in paragraph (3) of this subsection, the individual has, during his base year as defined in subsection (c) of R.S.43:21-19:

32 (A) Established at least 20 base weeks as defined in paragraph (2) of subsection (t) of R.S.43:21-19; or

34 (B) If the individual has not met the requirements of subparagraph (A) of this paragraph (2), earned remuneration not less than an amount 12 times the Statewide average weekly remuneration paid to workers, as determined under R.S.43:21-3(c), which amount shall be adjusted to the next higher multiple of \$100 if not already a multiple thereof; or

40 If the individual has not met the requirements of subparagraph (A) or (B) of this paragraph (2), earned remuneration not less than an amount 1,000 times the minimum wage in effect pursuant to section 5 of P.L.1966, c.113 (C.34:11-56a4) on October 1 of the calendar year preceding the calendar year in which the benefit year commences, which amount shall be adjusted to the next higher multiple of \$100 if not already a multiple thereof. **】** (Deleted by amendment, P.L. _____, c. _____) (pending before the legislature as this bill).

1 【(3)With respect to benefit years commencing before January 7,
2 2001, notwithstanding the provisions of paragraph (2) of this
3 subsection, an unemployed individual claiming benefits on the basis
4 of service performed in the production and harvesting of
5 agricultural crops shall, subject to the limitations of subsection (i)
6 of R.S.43:21-19, be eligible to receive benefits if during his base
7 year, as defined in subsection of R.S.43:21-19, the individual:

8 (A) Has established at least 20 base weeks as defined in
9 paragraph (2) of subsection (t) of R.S.43:21-19; or

10 (B) Has earned 12 times the Statewide average weekly
11 remuneration paid to workers, as determined under R.S.43:21-3(c),
12 raised to the next higher multiple of \$100.00 if not already a
13 multiple thereof, or more; or

14 (C) Has performed at least 770 hours of service in the
15 production and harvesting of agricultural crops.】 (Deleted by
16 amendment, P.L. , c.) (pending before the Legislature as this
17 bill).

18 (4) With respect to benefit years commencing on or after
19 January 7, 2001, except as otherwise provided in paragraph (5) of
20 this subsection, the individual has, during his base year as defined
21 in subsection (c) of R.S.43:21-19:

22 (A) Established at least 20 base weeks as defined in paragraphs
23 (2) and (3) of subsection (t) of R.S.43:21-19; or

24 (B) If the individual has not met the requirements of
25 subparagraph (A) of this paragraph (4), earned remuneration not
26 less than an amount 1,000 times the minimum wage in effect
27 pursuant to section 5 of P.L.1966, c.113 (C.34:11-56a4) on October
28 1 of the calendar year preceding the calendar year in which the
29 benefit year commences, which amount shall be adjusted to the next
30 higher multiple of \$100 if not already a multiple thereof.

31 (5) With respect to benefit years commencing on or after
32 January 7, 2001, notwithstanding the provisions of paragraph (4) of
33 this subsection, an unemployed individual claiming benefits on the
34 basis of service performed in the production and harvesting of
35 agricultural crops shall, subject to the limitations of subsection (i)
36 of R.S.43:21-19, be eligible to receive benefits if during his base
37 year, as defined in subsection (c) of R.S.43:21-19, the individual:

38 (A) Has established at least 20 base weeks as defined in
39 paragraphs (2) and (3) of subsection (t) of R.S.43:21-19; or

40 (B) Has earned remuneration not less than an amount 1,000
41 times the minimum wage in effect pursuant to section 5 of
42 P.L.1966, c.113 (C.34:11-56a4) on October 1 of the calendar year
43 preceding the calendar year in which the benefit year commences,
44 which amount shall be adjusted to the next higher multiple of \$100
45 if not already a multiple thereof; or

46 (C) Has performed at least 770 hours of service in the
47 production and harvesting of agricultural crops.

1 (6) The individual applying for benefits in any successive
2 benefit year has earned at least six times his previous weekly
3 benefit amount and has had four weeks of employment since the
4 beginning of the immediately preceding benefit year. This
5 provision shall be in addition to the earnings requirements specified
6 in paragraph [(2), (3),] (4) or (5) of this subsection, as applicable.

7 (f) (1) The individual has suffered any accident or sickness not
8 compensable under the workers' compensation law, R.S.34:15-1 et
9 seq. and resulting in the individual's total disability to perform any
10 work for remuneration, and would be eligible to receive benefits
11 under this chapter (R.S.43:21-1 et seq.) (without regard to the
12 maximum amount of benefits payable during any benefit year)
13 except for the inability to work and has furnished notice and proof
14 of claim to the division, in accordance with its rules and
15 regulations, and payment is not precluded by the provisions of
16 R.S.43:21-3(d); provided, however, that benefits paid under this
17 subsection (f) shall be computed on the basis of only those base
18 year wages earned by the claimant as a "covered individual," as
19 defined in R.S.43:21-27(b); provided further that no benefits shall
20 be payable under this subsection to any individual:

21 (A) For any period during which such individual is not under the
22 care of a legally licensed physician, dentist, optometrist, podiatrist,
23 practicing psychologist, advanced practice nurse, or chiropractor,
24 who, when requested by the division, shall certify within the scope
25 of the practitioner's practice, the disability of the individual, the
26 probable duration thereof, and, where applicable, the medical facts
27 within the practitioner's knowledge;

28 (B) (Deleted by amendment, P.L.1980, c.90.)

29 (C) For any period of disability due to willfully or intentionally
30 self-inflicted injury, or to injuries sustained in the perpetration by
31 the individual of a crime of the first, second or third degree;

32 (D) For any week with respect to which or a part of which the
33 individual has received or is seeking benefits under any
34 unemployment compensation or disability benefits law of any other
35 state or of the United States; provided that if the appropriate agency
36 of such other state or the United States finally determines that the
37 individual is not entitled to such benefits, this disqualification shall
38 not apply;

39 (E) For any week with respect to which or part of which the
40 individual has received or is seeking disability benefits under the
41 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25
42 et seq.);

43 (F) For any period of disability commencing while such
44 individual is a "covered individual," as defined in subsection (b) of
45 section 3 of the "Temporary Disability Benefits Law," P.L.1948,
46 c.110 (C.43:21-27).

47 (2) The individual is taking family temporary disability leave to
48 provide care for a family member with a serious health condition or

1 to be with a child during the first 12 months after the child's birth or
2 placement of the child for adoption with the individual, and the
3 individual would be eligible to receive benefits under R.S.43:21-1
4 et seq. (without regard to the maximum amount of benefits payable
5 during any benefit year) except for the individual's unavailability
6 for work while taking the family temporary disability leave, and the
7 individual has furnished notice and proof of claim to the division, in
8 accordance with its rules and regulations, and payment is not
9 precluded by the provisions of R.S.43:21-3(d) provided, however,
10 that benefits paid under this subsection (f) shall be computed on the
11 basis of only those base year wages earned by the claimant as a
12 "covered individual," as defined in R.S.43:21-27(b); provided
13 further that no benefits shall be payable under this subsection to any
14 individual:

15 (A) For any week with respect to which or a part of which the
16 individual has received or is seeking benefits under any
17 unemployment compensation or disability benefits law of any other
18 state or of the United States; provided that if the appropriate agency
19 of such other state or the United States finally determines that the
20 individual is not entitled to such benefits, this disqualification shall
21 not apply;

22 (B) For any week with respect to which or part of which the
23 individual has received or is seeking disability benefits for a
24 disability of the individual under the "Temporary Disability
25 Benefits Law," P.L.1948, c.110 (C.43:21-25 et seq.);

26 (C) For any period of family temporary disability leave
27 commencing while the individual is a "covered individual," as
28 defined in subsection (b) of section 3 of the "Temporary Disability
29 Benefits Law," P.L.1948, c.110 (C.43:21-27); or

30 (D) For any period of family temporary disability leave for a
31 serious health condition of a family member of the claimant during
32 which the family member is not receiving inpatient care in a
33 hospital, hospice, or residential medical care facility and is not
34 subject to continuing medical treatment or continuing supervision
35 by a health care provider, who, when requested by the division,
36 shall certify within the scope of the provider's practice, the serious
37 health condition of the family member, the probable duration
38 thereof, and, where applicable, the medical facts within the
39 provider's knowledge.

40 (3) Benefit payments under this subsection (f) shall be charged
41 to and paid from the State disability benefits fund established by the
42 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25
43 et seq.), and shall not be charged to any employer account in
44 computing any employer's experience rate for contributions payable
45 under this chapter.

46 (g) Benefits based on service in employment defined in
47 subparagraphs (B) and (C) of R.S.43:21-19 (i)(1) shall be payable
48 in the same amount and on the terms and subject to the same

1 conditions as benefits payable on the basis of other service subject
2 to the "unemployment compensation law"; except that,
3 notwithstanding any other provisions of the "unemployment
4 compensation law":

5 (1) With respect to service performed after December 31, 1977,
6 in an instructional research, or principal administrative capacity for
7 an educational institution, benefits shall not be paid based on such
8 services for any week of unemployment commencing during the
9 period between two successive academic years, or during a similar
10 period between two regular terms, whether or not successive, or
11 during a period of paid sabbatical leave provided for in the
12 individual's contract, to any individual if such individual performs
13 such services in the first of such academic years (or terms) and if
14 there is a contract or a reasonable assurance that such individual
15 will perform services in any such capacity for any educational
16 institution in the second of such academic years or terms;

17 (2) With respect to weeks of unemployment beginning after
18 September 3, 1982, on the basis of service performed in any other
19 capacity for an educational institution, benefits shall not be paid on
20 the basis of such services to any individual for any week which
21 commences during a period between two successive academic years
22 or terms if such individual performs such services in the first of
23 such academic years or terms and there is a reasonable assurance
24 that such individual will perform such services in the second of
25 such academic years or terms, except that if benefits are denied to
26 any individual under this paragraph (2) and the individual was not
27 offered an opportunity to perform these services for the educational
28 institution for the second of any academic years or terms, the
29 individual shall be entitled to a retroactive payment of benefits for
30 each week for which the individual filed a timely claim for benefits
31 and for which benefits were denied solely by reason of this clause;

32 (3) With respect to those services described in paragraphs (1)
33 and (2) above, benefits shall not be paid on the basis of such
34 services to any individual for any week which commences during
35 an established and customary vacation period or holiday recess if
36 such individual performs such services in the period immediately
37 before such vacation period or holiday recess, and there is a
38 reasonable assurance that such individual will perform such
39 services in the period immediately following such period or holiday
40 recess;

41 (4) With respect to any services described in paragraphs (1) and
42 (2) above, benefits shall not be paid as specified in paragraphs (1),
43 (2), and (3) above to any individual who performed those services
44 in an educational institution while in the employ of an educational
45 service agency, and for this purpose the term "educational service
46 agency" means a governmental agency or governmental entity
47 which is established and operated exclusively for the purpose of
48 providing those services to one or more educational institutions.

1 (h) Benefits shall not be paid to any individual on the basis of
2 any services, substantially all of which consist of participating in
3 sports or athletic events or training or preparing to so participate,
4 for any week which commences during the period between two
5 successive sports seasons (or similar periods) if such individual
6 performed such services in the first of such seasons (or similar
7 periods) and there is a reasonable assurance that such individual
8 will perform such services in the later of such seasons (or similar
9 periods).

10 (i) (1) Benefits shall not be paid on the basis of services
11 performed by an alien unless such alien is an individual who was
12 lawfully admitted for permanent residence at the time the services
13 were performed and was lawfully present for the purpose of
14 performing the services or otherwise was permanently residing in
15 the United States under color of law at the time the services were
16 performed (including an alien who is lawfully present in the United
17 States as a result of the application of the provisions of section
18 212(d)(5) (8U.S.C. s.1182 (d)(5)) of the Immigration and
19 Nationality Act (8U.S.C. s.1101 et seq.)); provided that any
20 modifications of the provisions of section 3304(a)(14) of the
21 Federal Unemployment Tax Act (28U.S.C. s.3304 (a)(14)), as
22 provided by Pub.L.94-566, which specify other conditions or other
23 effective dates than stated herein for the denial of benefits based on
24 services performed by aliens and which modifications are required
25 to be implemented under State law as a condition for full tax credit
26 against the tax imposed by the Federal Unemployment Tax Act,
27 shall be deemed applicable under the provisions of this section.

28 (2) Any data or information required of individuals applying for
29 benefits to determine whether benefits are not payable to them
30 because of their alien status shall be uniformly required from all
31 applicants for benefits.

32 (3) In the case of an individual whose application for benefits
33 would otherwise be approved, no determination that benefits to such
34 individual are not payable because of alien status shall be made
35 except upon a preponderance of the evidence.

36 (j) Notwithstanding any other provision of this chapter, the
37 director may, to the extent that it may be deemed efficient and
38 economical, provide for consolidated administration by one or more
39 representatives or deputies of claims made pursuant to subsection
40 (f) of this section with those made pursuant to Article III (State
41 plan) of the "Temporary Disability Benefits Law," P.L.1948, c.110
42 (C.43:21-25 et seq.).

43 (cf: P.L.2006, c.47, s.187)

44

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

46 43:21-7. Contributions. Employers other than governmental
47 entities, whose benefit financing provisions are set forth in section 4
48 of P.L.1971, c.346 (C.43:21-7.3), and those nonprofit organizations

1 liable for payment in lieu of contributions on the basis set forth in
2 section 3 of P.L.1971, c.346 (C.43:21-7.2), shall pay to the
3 controller for the unemployment compensation fund, contributions
4 as set forth in subsections (a), (b) and (c) hereof, and the provisions
5 of subsections (d) and (e) shall be applicable to all employers,
6 consistent with the provisions of the "unemployment compensation
7 law" and the "Temporary Disability Benefits Law," P.L.1948, c.110
8 (C.43:21-25 et seq.).

9 (a) Payment.

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

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

22 (b) Rate of contributions. Each employer shall pay the
23 following contributions:

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

28 (2) The "wages" of any individual, with respect to any one
29 employer, as the term is used in this subsection (b) and in
30 subsections (c), (d) and (e) of this section 7, shall include the first
31 \$4,800.00 paid during calendar year 1975, for services performed
32 either within or without this State; provided that no contribution
33 shall be required by this State with respect to services performed in
34 another state if such other state imposes contribution liability with
35 respect thereto. If an employer (hereinafter referred to as a
36 successor employer) during any calendar year acquires substantially
37 all the property used in a trade or business of another employer
38 (hereinafter referred to as a predecessor), or used in a separate unit
39 of a trade or business of a predecessor, and immediately after the
40 acquisition employs in his trade or business an individual who
41 immediately prior to the acquisition was employed in the trade or
42 business of such predecessors, then, for the purpose of determining
43 whether the successor employer has paid wages with respect to
44 employment equal to the first \$4,800.00 paid during calendar year
45 1975, any wages paid to such individual by such predecessor during
46 such calendar year and prior to such acquisition shall be considered
47 as having been paid by such successor employer.

1 (3) For calendar years beginning on and after January 1, 1976,
2 the "wages" of any individual, as defined in the preceding
3 paragraph (2) of this subsection (b), shall be established and
4 promulgated by the Commissioner of Labor and Workforce
5 Development on or before September 1 of the preceding year and
6 shall be, 28 times the Statewide average weekly remuneration paid
7 to workers by employers, as determined under R.S.43:21-3(c),
8 raised to the next higher multiple of \$100.00 if not already a
9 multiple thereof, provided that if the amount of wages so
10 determined for a calendar year is less than the amount similarly
11 determined for the preceding year, the greater amount will be used;
12 provided, further, that if the amount of such wages so determined
13 does not equal or exceed the amount of wages as defined in
14 subsection (b) of section 3306 of the Federal Unemployment Tax
15 Act, Chapter 23 of the Internal Revenue Code of 1986 (26U.S.C.
16 s.3306(b)), the wages as determined in this paragraph in any
17 calendar year shall be raised to equal the amount established under
18 the Federal Unemployment Tax Act for that calendar year.

19 (c) Future rates based on benefit experience.

20 (1) A separate account for each employer shall be maintained
21 and this shall be credited with all the contributions which he has
22 paid on his own behalf on or before January 31 of any calendar year
23 with respect to employment occurring in the preceding calendar
24 year; provided, however, that if January 31 of any calendar year
25 falls on a Saturday or Sunday, an employer's account shall be
26 credited as of January 31 of such calendar year with all the
27 contributions which he has paid on or before the next succeeding
28 day which is not a Saturday or Sunday. But nothing in this chapter
29 (R.S.43:21-1 et seq.) shall be construed to grant any employer or
30 individuals in his service prior claims or rights to the amounts paid
31 by him into the fund either on his own behalf or on behalf of such
32 individuals. Benefits paid with respect to benefit years
33 commencing on and after January 1, 1953, to any individual on or
34 before December 31 of any calendar year with respect to
35 unemployment in such calendar year and in preceding calendar
36 years shall be charged against the account or accounts of the
37 employer or employers in whose employment such individual
38 established base weeks constituting the basis of such benefits,
39 except that, with respect to benefit years commencing after January
40 4, 1998, an employer's account shall not be charged for benefits
41 paid to a claimant if the claimant's employment by that employer
42 was ended in any way which, pursuant to subsection (a), (b), (c),
43 (f), (g) or (h) of R.S.43:21-5, would have disqualified the claimant
44 for benefits if the claimant had applied for benefits at the time when
45 that employment ended. Benefits paid under a given benefit
46 determination shall be charged against the account of the employer
47 to whom such determination relates. When each benefit payment is
48 made, either a copy of the benefit check or other form of

1 notification shall be promptly sent to the employer against whose
2 account the benefits are to be charged. Such copy or notification
3 shall identify the employer against whose account the amount of
4 such payment is being charged, shall show at least the name and
5 social security account number of the claimant and shall specify the
6 period of unemployment to which said check applies. If the total
7 amount of benefits paid to a claimant and charged to the account of
8 the appropriate employer exceeds 50% of the total base year, base
9 week wages paid to the claimant by that employer, then such
10 employer shall have canceled from his account such excess benefit
11 charges as specified above.

12 Each employer shall be furnished an annual summary statement
13 of benefits charged to his account.

14 (2) Regulations may be prescribed for the establishment,
15 maintenance, and dissolution of joint accounts by two or more
16 employers, and shall, in accordance with such regulations and upon
17 application by two or more employers to establish such an account,
18 or to merge their several individual accounts in a joint account,
19 maintain such joint account as if it constituted a single employer's
20 account.

21 (3) No employer's rate shall be lower than 5.4% unless
22 assignment of such lower rate is consistent with the conditions
23 applicable to additional credit allowance for such year under section
24 3303(a)(1) of the Internal Revenue Code of 1986 (26 U.S.C.
25 s.3303(a)(1)), any other provision of this section to the contrary
26 notwithstanding.

27 (4) Employer Reserve Ratio. (A) Each employer's rate shall be
28 $2 \frac{8}{10}\%$, except as otherwise provided in the following provisions.
29 No employer's rate for the 12 months commencing July 1 of any
30 calendar year shall be other than $2 \frac{8}{10}\%$, unless as of the
31 preceding January 31 such employer shall have paid contributions
32 with respect to wages paid in each of the three calendar years
33 immediately preceding such year, in which case such employer's
34 rate for the 12 months commencing July 1 of any calendar year
35 shall be determined on the basis of his record up to the beginning of
36 such calendar year. If, at the beginning of such calendar year, the
37 total of all his contributions, paid on his own behalf, for all past
38 years exceeds the total benefits charged to his account for all such
39 years, his contribution rate shall be:

40 (1) $2 \frac{5}{10}\%$, if such excess equals or exceeds 4%, but less than
41 5%, of his average annual payroll (as defined in paragraph (2),
42 subsection (a) of R.S.43:21-19);

43 (2) $2 \frac{2}{10}\%$, if such excess equals or exceeds 5%, but is less
44 than 6%, of his average annual payroll;

45 (3) $1 \frac{9}{10}\%$, if such excess equals or exceeds 6%, but is less
46 than 7%, of his average annual payroll;

47 (4) $1 \frac{6}{10}\%$, if such excess equals or exceeds 7%, but is less
48 than 8%, of his average annual payroll;

- 1 (5) 1 3/10%, if such excess equals or exceeds 8%, but is less
2 than 9%, of his average annual payroll;
- 3 (6) 1%, if such excess equals or exceeds 9%, but is less than
4 10%, of his average annual payroll;
- 5 (7) 7/10 of 1%, if such excess equals or exceeds 10%, but is less
6 than 11%, of his average annual payroll;
- 7 (8) 4/10 of 1%, if such excess equals or exceeds 11% of his
8 average annual payroll.
- 9 (B) If the total of an employer's contributions, paid on his own
10 behalf, for all past periods for the purposes of this paragraph (4), is
11 less than the total benefits charged against his account during the
12 same period, his rate shall be:
- 13 (1) 4%, if such excess is less than 10% of his average annual
14 payroll;
- 15 (2) 4 3/10%, if such excess equals or exceeds 10%, but is less
16 than 20%, of his average annual payroll;
- 17 (3) 4 6/10%, if such excess equals or exceeds 20% of his
18 average annual payroll.
- 19 (C) Specially assigned rates.
- 20 (i) If no contributions were paid on wages for employment in
21 any calendar year used in determining the average annual payroll of
22 an employer eligible for an assigned rate under this paragraph (4),
23 the employer's rate shall be specially assigned as follows:
- 24 if the reserve balance in its account is positive, its assigned rate
25 shall be the highest rate in effect for positive balance accounts for
26 that period, or 5.4%, whichever is higher, and
- 27 if the reserve balance in its account is negative, its assigned rate
28 shall be the highest rate in effect for deficit accounts for that period.
- 29 (ii) If, following the purchase of a corporation with little or no
30 activity, known as a corporate shell, the resulting employing unit
31 operates a new or different business activity, the employing unit
32 shall be assigned a new employer rate.
- 33 (iii) Entities operating under common ownership, management or
34 control, when the operation of the entities is not identifiable,
35 distinguishable and severable, shall be considered a single employer
36 for the purposes of this chapter (R.S.43:21-1 et seq.).
- 37 (D) The contribution rates prescribed by subparagraphs (A) and
38 (B) of this paragraph (4) shall be increased or decreased in
39 accordance with the provisions of paragraph (5) of this subsection
40 (c) for experience rating periods through June 30, 1986.
- 41 (5) (A) Unemployment Trust Fund Reserve Ratio. If on March
42 31 of any calendar year the balance in the unemployment trust fund
43 equals or exceeds 4% but is less than 7% of the total taxable wages
44 reported to the controller as of that date in respect to employment
45 during the preceding calendar year, the contribution rate, effective
46 July 1 following, of each employer eligible for a contribution rate
47 calculation based upon benefit experience, shall be increased by
48 3/10 of 1% over the contribution rate otherwise established under

1 the provisions of paragraph (3) or (4) of this subsection. If on
2 March 31 of any calendar year the balance of the unemployment
3 trust fund exceeds 2 1/2% but is less than 4% of the total taxable
4 wages reported to the controller as of that date in respect to
5 employment during the preceding calendar year, the contribution
6 rate, effective July 1 following, of each employer eligible for a
7 contribution rate calculation based upon benefit experience, shall be
8 increased by 6/10 of 1% over the contribution rate otherwise
9 established under the provisions of paragraph (3) or (4) of this
10 subsection.

11 If on March 31 of any calendar year the balance of the
12 unemployment trust fund is less than 2 1/2% of the total taxable
13 wages reported to the controller as of that date in respect to
14 employment during the preceding calendar year, the contribution
15 rate, effective July 1 following, of each employer (1) eligible for a
16 contribution rate calculation based upon benefit experience, shall be
17 increased by (i) 6/10 of 1% over the contribution rate otherwise
18 established under the provisions of paragraph (3), (4)(A) or (4)(B)
19 of this subsection, and (ii) an additional amount equal to 20% of the
20 total rate established herein, provided, however, that the final
21 contribution rate for each employer shall be computed to the nearest
22 multiple of 1/10% if not already a multiple thereof; (2) not eligible
23 for a contribution rate calculation based upon benefit experience,
24 shall be increased by 6/10 of 1% over the contribution rate
25 otherwise established under the provisions of paragraph (4) of this
26 subsection. For the period commencing July 1, 1984 and ending
27 June 30, 1986, the contribution rate for each employer liable to pay
28 contributions under R.S.43:21-7 shall be increased by a factor of
29 10% computed to the nearest multiple of 1/10% if not already a
30 multiple thereof.

31 (B) If on March 31 of any calendar year the balance in the
32 unemployment trust fund equals or exceeds 10% but is less than 12
33 1/2% of the total taxable wages reported to the controller as of that
34 date in respect to employment during the preceding calendar year,
35 the contribution rate, effective July 1 following, of each employer
36 eligible for a contribution rate calculation based upon benefit
37 experience, shall be reduced by 3/10 of 1% under the contribution
38 rate otherwise established under the provisions of paragraphs (3)
39 and (4) of this subsection; provided that in no event shall the
40 contribution rate of any employer be reduced to less than 4/10 of
41 1%. If on March 31 of any calendar year the balance in the
42 unemployment trust fund equals or exceeds 12 1/2% of the total
43 taxable wages reported to the controller as of that date in respect to
44 employment during the preceding calendar year, the contribution
45 rate, effective July 1 following, of each employer eligible for a
46 contribution rate calculation based upon benefit experience, shall be
47 reduced by 6/10 of 1% if his account for all past periods reflects an
48 excess of contributions paid over total benefits charged of 3% or

1 more of his average annual payroll, otherwise by 3/10 of 1% under
2 the contribution rate otherwise established under the provisions of
3 paragraphs (3) and (4) of this subsection; provided that in no event
4 shall the contribution rate of any employer be reduced to less than
5 4/10 of 1%.

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

13 (D) Prior to July 1 of each calendar year the controller shall
14 determine the Unemployment Trust Reserve Ratio, which shall be
15 calculated by dividing the balance of the unemployment trust fund
16 as of the prior March 31 by total taxable wages reported to the
17 controller by all employers as of March 31 with respect to their
18 employment during the last calendar year.

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

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

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

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

23 (v) **[**With respect to the experience rating year beginning on
24 July 1, 2003, the new employer rate or the unemployment
25 experience rate of an employer under this section shall be the rate
26 which appears in the column headed by the Unemployment Trust
27 Fund Reserve Ratio as of the applicable calculation date and on the
28 line with the Employer Reserve Ratio, as defined in paragraph 4 of
29 this subsection (R.S.43:21-7 (c)(4)), as set forth in the following
30 table:

EXPERIENCE RATING TAX TABLE					
Fund Reserve Ratio ¹					
	2.50%	2.00%	1.50%	1.00%	0.99%
Employer Reserve Ratio ²	and Over A	to B	to C	to D	and Under E
Positive Reserve Ratio:					
17% and over	0.3	0.4	0.5	0.6	1.2
16.00% to 16.99%	0.4	0.5	0.6	0.6	1.2
15.00% to 15.99%	0.4	0.6	0.7	0.7	1.2
14.00% to 14.99%	0.5	0.6	0.7	0.8	1.2
13.00% to 13.99%	0.6	0.7	0.8	0.9	1.2
12.00% to 12.99%	0.6	0.8	0.9	1.0	1.2
11.00% to 11.99%	0.7	0.8	1.0	1.1	1.2
10.00% to 10.99%	0.9	1.1	1.3	1.5	1.6
9.00% to 9.99%	1.0	1.3	1.6	1.7	1.9
8.00% to 8.99%	1.3	1.6	1.9	2.1	2.3
7.00% to 7.99%	1.4	1.8	2.2	2.4	2.6
6.00% to 6.99%	1.7	2.1	2.5	2.8	3.0
5.00% to 5.99%	1.9	2.4	2.8	3.1	3.4
4.00% to 4.99%	2.0	2.6	3.1	3.4	3.7
3.00% to 3.99%	2.1	2.7	3.2	3.6	3.9
2.00% to 2.99%	2.2	2.8	3.3	3.7	4.0
1.00% to 1.99%	2.3	2.9	3.4	3.8	4.1
0.00% to 0.99%	2.4	3.0	3.6	4.0	4.3
Deficit Reserve Ratio:					
-0.00% to -2.99%	3.4	4.3	5.1	5.6	6.1
-3.00% to -5.99%	3.4	4.3	5.1	5.7	6.2
-6.00% to -8.99%	3.5	4.4	5.2	5.8	6.3
-9.00% to -11.99%	3.5	4.5	5.3	5.9	6.4
-12.00% to -14.99%	3.6	4.6	5.4	6.0	6.5
-15.00% to -19.99%	3.6	4.6	5.5	6.1	6.6
-20.00% to -24.99%	3.7	4.7	5.6	6.2	6.7
-25.00% to -29.99%	3.7	4.8	5.6	6.3	6.8
-30.00% to -34.99%	3.8	4.8	5.7	6.3	6.9
-35.00% and under	5.4	5.4	5.8	6.4	7.0
New Employer Rate	2.8	2.8	2.8	3.1	3.4

¹Fund balance as of March 31 as a percentage of taxable wages in the prior calendar year.

²Employer Reserve Ratio (Contributions minus benefits as a percentage of employer's taxable wages).] (Deleted by amendment, P.L. _____, c. _____)(pending before the Legislature as this bill)

(vi) With respect to experience rating years beginning on or after July 1, 2004, the new employer rate or the unemployment experience rate of an employer under this section shall be the rate which appears in the column headed by the Unemployment Trust Fund Reserve Ratio as of the applicable calculation date and on the

1 line with the Employer Reserve Ratio, as defined in paragraph 4 of
 2 this subsection (R.S.43:21-7 (c)(4)), as set forth in the following
 3 table:

4

5 **EXPERIENCE RATING TAX TABLE**

6 **Fund Reserve Ratio¹**

7

8	1.40%	1.00%	0.75%	0.50%	0.49%
9 Employer	and	to	to	to	and
10 Reserve	Over	1.39%	0.99%	0.74%	Under
11 Ratio ²	A	B	C	D	E
12 Positive Reserve Ratio:					
13 17% and over	0.3	0.4	0.5	0.6	1.2
14 16.00% to 16.99%	0.4	0.5	0.6	0.6	1.2
15 15.00% to 15.99%	0.4	0.6	0.7	0.7	1.2
16 14.00% to 14.99%	0.5	0.6	0.7	0.8	1.2
17 13.00% to 13.99%	0.6	0.7	0.8	0.9	1.2
18 12.00% to 12.99%	0.6	0.8	0.9	1.0	1.2
19 11.00% to 11.99%	0.7	0.8	1.0	1.1	1.2
20 10.00% to 10.99%	0.9	1.1	1.3	1.5	1.6
21 9.00% to 9.99%	1.0	1.3	1.6	1.7	1.9
22 8.00% to 8.99%	1.3	1.6	1.9	2.1	2.3
23 7.00% to 7.99%	1.4	1.8	2.2	2.4	2.6
24 6.00% to 6.99%	1.7	2.1	2.5	2.8	3.0
25 5.00% to 5.99%	1.9	2.4	2.8	3.1	3.4
26 4.00% to 4.99%	2.0	2.6	3.1	3.4	3.7
27 3.00% to 3.99%	2.1	2.7	3.2	3.6	3.9
28 2.00% to 2.99%	2.2	2.8	3.3	3.7	4.0
29 1.00% to 1.99%	2.3	2.9	3.4	3.8	4.1
30 0.00% to 0.99%	2.4	3.0	3.6	4.0	4.3
31 Deficit Reserve Ratio:					
32 -0.00% to -2.99%	3.4	4.3	5.1	5.6	6.1
33 -3.00% to -5.99%	3.4	4.3	5.1	5.7	6.2
34 -6.00% to -8.99%	3.5	4.4	5.2	5.8	6.3
35 -9.00% to -11.99%	3.5	4.5	5.3	5.9	6.4
36 -12.00% to -14.99%	3.6	4.6	5.4	6.0	6.5
37 -15.00% to -19.99%	3.6	4.6	5.5	6.1	6.6
38 -20.00% to -24.99%	3.7	4.7	5.6	6.2	6.7
39 -25.00% to -29.99%	3.7	4.8	5.6	6.3	6.8
40 -30.00% to -34.99%	3.8	4.8	5.7	6.3	6.9
41 -35.00% and under	5.4	5.4	5.8	6.4	7.0
42 New Employer Rate	2.8	2.8	2.8	3.1	3.4

43 ¹Fund balance as of March 31 as a percentage of taxable wages
 44 in the prior calendar year.

45 ²Employer Reserve Ratio (Contributions minus benefits as a
 46 percentage of employer's taxable wages).

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

1 (ii) ~~【With respect to experience rating years beginning on or~~
2 ~~after July 1, 1997, if the fund reserve ratio, based on the fund~~
3 ~~balance as of the prior March 31, is less than 1.00%, the~~
4 ~~contribution rate for each employer liable to pay contributions, as~~
5 ~~computed under subparagraph (E) of this paragraph (5), shall be~~
6 ~~increased by a factor of 10% computed to the nearest multiple of~~
7 ~~1/10% if not already a multiple thereof.】 (Deleted by amendment,
8 P.L. _____, c. _____)(pending before the Legislature as this bill)~~

9 (iii) With respect to experience rating years beginning on or after
10 July 1, 2004, if the fund reserve ratio, based on the fund balance as
11 of the prior March 31, is less than 0.50%, the contribution rate for
12 each employer liable to pay contributions, as computed under
13 subparagraph (E) of this paragraph (5), shall be increased by a
14 factor of 10% computed to the nearest multiple of 1/10% if not
15 already a multiple thereof.

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

27 (H) ~~【On or after January 1, 1993 until December 31, 1993,~~
28 ~~notwithstanding any other provisions of this paragraph (5), the~~
29 ~~contribution rate for each employer liable to pay contributions, as~~
30 ~~computed under subparagraph (E) of this paragraph (5), shall be~~
31 ~~decreased by a factor of 52.0% computed to the nearest multiple of~~
32 ~~1/10%, except that, if an employer has a deficit reserve ratio of~~
33 ~~negative 35.0% or under, the employer's rate of contribution shall~~
34 ~~not be reduced pursuant to this subparagraph (H) to less than 5.4%.~~
35 ~~The amount of the reduction in the employer contributions~~
36 ~~stipulated by this subparagraph (H) shall be in addition to the~~
37 ~~amount of the reduction in the employer contributions stipulated by~~
38 ~~subparagraph (G) of this paragraph (5), except that the rate of~~
39 ~~contribution of an employer who has a deficit reserve ratio of~~
40 ~~negative 35.0% or under shall not be reduced pursuant to this~~
41 ~~subparagraph (H) to less than 5.4% and the rate of contribution of~~
42 ~~any other employer shall not be reduced to less than 0.0%. On or~~
43 ~~after January 1, 1994 until December 31, 1995, except as provided~~
44 ~~pursuant to subparagraph (I) of this paragraph (5), notwithstanding~~
45 ~~any other provisions of this paragraph (5), the contribution rate for~~
46 ~~each employer liable to pay contributions, as computed under~~
47 ~~subparagraph (E) of this paragraph (5), shall be decreased by a~~
48 ~~factor of 36.0% computed to the nearest multiple of 1/10%, except~~

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

12 On or after April 1, 1996 until December 31, 1996, the
13 contribution rate for each employer liable to pay contributions, as
14 computed under subparagraph (E) of this paragraph (5), shall be
15 decreased by a factor of 25.0% computed to the nearest multiple of
16 1/10%, except that, if an employer has a deficit reserve ratio of
17 negative 35.0% or under, the employer's rate of contribution shall
18 not be reduced pursuant to this subparagraph (H) to less than 5.4%.
19 The amount of the reduction in the employer contributions
20 stipulated by this subparagraph (H) shall be in addition to the
21 amount of the reduction in the employer contributions stipulated by
22 subparagraph (G) of this paragraph (5), except that the rate of
23 contribution of an employer who has a deficit reserve ratio of
24 negative 35.0% or under shall not be reduced pursuant to this
25 subparagraph (H) to less than 5.4% and the rate of contribution of
26 any other employer shall not be reduced to less than 0.0%.

27 On or after January 1, 1997 until December 31, 1997, the
28 contribution rate for each employer liable to pay contributions, as
29 computed under subparagraph (E) of this paragraph (5), shall be
30 decreased by a factor of 10.0% computed to the nearest multiple of
31 1/10%, except that, if an employer has a deficit reserve ratio of
32 negative 35.0% or under, the employer's rate of contribution shall
33 not be reduced pursuant to this subparagraph (H) to less than 5.4%.
34 The amount of the reduction in the employer contributions
35 stipulated by this subparagraph (H) shall be in addition to the
36 amount of the reduction in the employer contributions stipulated by
37 subparagraph (G) of this paragraph (5), except that the rate of
38 contribution of an employer who has a deficit reserve ratio of
39 negative 35.0% or under shall not be reduced pursuant to this
40 subparagraph (H) to less than 5.4% and the rate of contribution of
41 any other employer shall not be reduced to less than 0.0%.]

42 On and after January 1, 1998 until December 31, 2000 and on or
43 after January 1, 2002 until June 30, 2006, the contribution rate for
44 each employer liable to pay contributions, as computed under
45 subparagraph (E) of this paragraph (5), shall be decreased by a
46 factor, as set out below, computed to the nearest multiple of 1/10%,
47 except that, if an employer has a deficit reserve ratio of negative

1 35.0% or under, the employer's rate of contribution shall not be
2 reduced pursuant to this subparagraph (H) to less than 5.4%:

- 3 From January 1, 1998 until December 31, 1998, a factor of 12%;
4 From January 1, 1999 until December 31, 1999, a factor of 10%;
5 From January 1, 2000 until December 31, 2000, a factor of 7%;
6 From January 1, 2002 until March 31, 2002, a factor of 36%;
7 From April 1, 2002 until June 30, 2002, a factor of 85%;
8 From July 1, 2002 until June 30, 2003, a factor of 15%;
9 From July 1, 2003 until June 30, 2004, a factor of 15%;
10 From July 1, 2004 until June 30, 2005, a factor of 7%;
11 From July 1, 2005 until December 31, 2005, a factor of 16%; and
12 From January 1, 2006 until June 30, 2006, a factor of 34%.

13 The amount of the reduction in the employer contributions
14 stipulated by this subparagraph (H) shall be in addition to the
15 amount of the reduction in the employer contributions stipulated by
16 subparagraph (G) of this paragraph (5), except that the rate of
17 contribution of an employer who has a deficit reserve ratio of
18 negative 35.0% or under shall not be reduced pursuant to this
19 subparagraph (H) to less than 5.4% and the rate of contribution of
20 any other employer shall not be reduced to less than 0.0%.

21 (I) [If the fund reserve ratio decreases to a level of less than
22 4.00% on March 31 of calendar year 1994 or calendar year 1995,
23 the provisions of subparagraph (H) of this paragraph (5) shall cease
24 to be in effect as of July 1 of that calendar year.

25 If, upon calculating the unemployment compensation fund
26 reserve ratio pursuant to R.S.43:21-7(c)(5)(D) prior to March 31,
27 1997, March 31, 1998 or March 31, 1999, the controller finds that
28 the fund reserve ratio has decreased to a level of less than 3.00%,
29 the Commissioner of Labor and Workforce Development shall
30 notify the State Treasurer of this fact and of the dollar amount
31 necessary to bring the fund reserve ratio up to a level of 3.00%.
32 The State Treasurer shall, prior to March 31, 1997, March 31, 1998
33 or March 31, 1999, as applicable, transfer from the General Fund to
34 the unemployment compensation fund, revenues in the amount
35 specified by the commissioner and which, upon deposit in the
36 unemployment compensation fund, shall result, upon recalculation,
37 in a fund reserve ratio used to determine employer contributions
38 beginning July 1, 1997, July 1, 1998, July 1, 1999, as applicable, of
39 at least 3.00%. If, upon calculating the unemployment
40 compensation fund reserve ratio pursuant to R.S.43:21-7(c)(5)(D)
41 prior to March 31, 2000, the controller finds that the fund reserve
42 ratio has decreased to a level of less than 3.00%, the Commissioner
43 of Labor and Workforce Development shall notify the State
44 Treasurer of this fact and of the dollar amount necessary to bring
45 the fund reserve ratio up to a level of 3.00%. The State Treasurer
46 shall, prior to March 31, 2000, transfer from the General Fund to
47 the unemployment compensation fund, revenues in the amount
48 specified by the commissioner and which, upon deposit in the

1 unemployment compensation fund, shall result, upon recalculation,
2 in a fund reserve ratio used to determine employer contributions
3 beginning July 1, 2000 of at least 3.00%.] (Deleted by amendment,
4 P.L. _____, c. _____)(pending before the Legislature as this bill)

5 (J) On or after July 1, 2001, notwithstanding any other
6 provisions of this paragraph (5), the contribution rate for each
7 employer liable to pay contributions, as computed under
8 subparagraph (E) of this paragraph (5), shall be decreased by
9 0.0175%, except that, during any experience rating year starting on
10 or after July 1, 2001, in which the fund reserve ratio is equal to or
11 greater than 3.5%, there shall be no decrease pursuant to this
12 subparagraph (J) in the contribution of any employer who has a
13 deficit reserve ratio of negative 35.00% or under. The amount of the
14 reduction in the employer contributions stipulated by this
15 subparagraph (J) shall be in addition to the amount of the reduction
16 in the employer contributions stipulated by subparagraphs (G) and
17 (H) of this paragraph (5), except that the rate of contribution of an
18 employer who has a deficit reserve ratio of negative 35.0% or under
19 shall not be reduced pursuant to this subparagraph (J) to less than
20 5.4% and the rate of contribution of any other employer shall not be
21 reduced to less than 0.0%.

22 (6) Additional contributions.

23 Notwithstanding any other provision of law, any employer who
24 has been assigned a contribution rate pursuant to subsection (c) of
25 this section for the year commencing July 1, 1948, and for any year
26 commencing July 1 thereafter, may voluntarily make payment of
27 additional contributions, and upon such payment shall receive a
28 recomputation of the experience rate applicable to such employer,
29 including in the calculation the additional contribution so made,
30 except that, following a transfer as described under R.S.43:21-
31 7(c)(7)(D), neither the predecessor nor successor in interest shall be
32 eligible to make a voluntary payment of additional contributions
33 during the year the transfer occurs and the next full calendar year.
34 Any such additional contribution shall be made during the 30-day
35 period following the date of the mailing to the employer of the
36 notice of his contribution rate as prescribed in this section, unless,
37 for good cause, the time for payment has been extended by the
38 controller for not to exceed an additional 60 days; provided that in
39 no event may such payments which are made later than 120 days
40 after the beginning of the year for which such rates are effective be
41 considered in determining the experience rate for the year in which
42 the payment is made. Any employer receiving any extended period
43 of time within which to make such additional payment and failing
44 to make such payment timely shall be, in addition to the required
45 amount of additional payment, liable for a penalty of 5% thereof or
46 \$5.00, whichever is greater, not to exceed \$50.00. Any adjustment
47 under this subsection shall be made only in the form of credits
48 against accrued or future contributions.

1 (7) Transfers.

2 (A) Upon the transfer of the organization, trade or business, or
3 substantially all the assets of an employer to a successor in interest,
4 whether by merger, consolidation, sale, transfer, descent or
5 otherwise, the controller shall transfer the employment experience
6 of the predecessor employer to the successor in interest, including
7 credit for past years, contributions paid, annual payrolls, benefit
8 charges, et cetera, applicable to such predecessor employer,
9 pursuant to regulation, if it is determined that the employment
10 experience of the predecessor employer with respect to the
11 organization, trade, assets or business which has been transferred
12 may be considered indicative of the future employment experience
13 of the successor in interest. The successor in interest may, within
14 four months of the date of such transfer of the organization, trade,
15 assets or business, or thereafter upon good cause shown, request a
16 reconsideration of the transfer of employment experience of the
17 predecessor employer. The request for reconsideration shall
18 demonstrate, to the satisfaction of the controller, that the
19 employment experience of the predecessor is not indicative of the
20 future employment experience of the successor.

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

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

1 (D) If an employer who transfers in whole or in part his or its
2 organization, trade, assets or business to a successor in interest,
3 whether by merger, consolidation, sale, transfer, descent or
4 otherwise and both the employer and successor in interest are at the
5 time of the transfer under common ownership, management or
6 control, then the employment experience attributable to the
7 transferred business shall also be transferred to and combined with
8 the employment experience of the successor in interest. The
9 transfer of the employment experience is mandatory and not subject
10 to appeal or protest.

11 (E) The transfer of part of an employer's employment experience
12 to a successor in interest shall become effective as of the first day of
13 the calendar quarter following the acquisition by the successor in
14 interest. As of the effective date, the successor in interest shall
15 have its employer rate recalculated by merging its existing
16 employment experience, if any, with the employment experience
17 acquired. If the successor in interest is not an employer as of the
18 date of acquisition, it shall be assigned the new employer rate until
19 the effective date of the transfer of employment experience.

20 (F) Upon the transfer in whole or in part of the organization,
21 trade, assets or business to a successor in interest, the employment
22 experience shall not be transferred if the successor in interest is not
23 an employer at the time of the acquisition and the controller finds
24 that the successor in interest acquired the business solely or
25 primarily for the purpose of obtaining a lower rate of contributions.

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

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

42 (B) Effective January 1, 1978 there shall be no contributions by
43 workers in the employ of any governmental or nongovernmental
44 employer electing or required to make payments in lieu of
45 contributions unless the employer is covered by the State plan under
46 the "Temporary Disability Benefits Law" (C.43:21-25 et seq.), and
47 in that case contributions shall be at the rate of 1/2 of 1%, except
48 that commencing July 1, 1986, workers in the employ of any

1 nongovernmental employer electing or required to make payments
2 in lieu of contributions shall be required to make contributions to
3 the fund at the same rate prescribed for workers of other
4 nongovernmental employers.

5 (C) (i) Notwithstanding the above provisions of this paragraph
6 (1), during the period starting July 1, 1986 and ending December
7 31, 1992, each worker shall contribute to the fund 1.125% of wages
8 paid with respect to his employment with a governmental employer
9 electing or required to pay contributions or nongovernmental
10 employer, including a nonprofit organization which is an employer
11 as defined under R.S.43:21-19(h)(6), regardless of whether that
12 nonprofit organization elects or is required to finance its benefit
13 costs with contributions to the fund or by payments in lieu of
14 contributions, after that employer has satisfied the conditions set
15 forth in subsection R.S.43:21-19(h) with respect to becoming an
16 employer. Contributions, however, shall be at the rate of 0.625%
17 while the worker is covered by an approved private plan under the
18 "Temporary Disability Benefits Law" while the worker is exempt
19 under section 7 of that law, P.L.1948, c.110 (C.43:21-31) or any
20 other provision of that law; provided that such contributions shall
21 be at the rate of 0.625% of wages paid with respect to employment
22 with the State of New Jersey or any other governmental entity or
23 instrumentality electing or required to make payments in lieu of
24 contributions and which is covered by the State plan under the
25 "Temporary Disability Benefits Law," except that, while the worker
26 is exempt from the provisions of the "Temporary Disability Benefits
27 Law" under section 7 of that law, P.L.1948, c.110 (C.43:21-31) or
28 any other provision of that law, or is covered for disability benefits
29 by an approved private plan of the employer, the contributions to
30 the fund shall be 0.125%.

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

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

1 provided that the contributions shall be at the rate of 0.50% of
2 wages paid with respect to employment with the State of New
3 Jersey or any other governmental entity or instrumentality electing
4 or required to make payments in lieu of contributions and which is
5 covered by the State plan under the "Temporary Disability Benefits
6 Law," except that, while the worker is exempt from the provisions
7 of the "Temporary Disability Benefits Law" under section 7 of that
8 law, P.L.1948, c.110 (C.43:21-31) or any other provision of that
9 law, or is covered for disability benefits by an approved private plan
10 of the employer, no contributions shall be made to the fund.

11 Each worker shall, starting on January 1, 1996 and ending March
12 31, 1996, contribute to the unemployment compensation fund
13 0.60% of wages paid with respect to the worker's employment with
14 a governmental employer electing or required to pay contributions
15 or nongovernmental employer, including a nonprofit organization
16 which is an employer as defined under paragraph (6) of subsection
17 (h) of R.S.43:21-19, regardless of whether that nonprofit
18 organization elects or is required to finance its benefit costs with
19 contributions to the fund or by payments in lieu of contributions,
20 after that employer has satisfied the conditions set forth in
21 subsection (h) of R.S.43:21-19 with respect to becoming an
22 employer, provided that the contributions shall be at the rate of
23 0.10% of wages paid with respect to employment with the State of
24 New Jersey or any other governmental entity or instrumentality
25 electing or required to make payments in lieu of contributions.

26 Each worker shall, starting on January 1, 1998 and ending
27 December 31, 1998, contribute to the unemployment compensation
28 fund 0.10% of wages paid with respect to the worker's employment
29 with a governmental employer electing or required to pay
30 contributions or nongovernmental employer, including a nonprofit
31 organization which is an employer as defined under paragraph (6)
32 of subsection (h) of R.S.43:21-19, regardless of whether that
33 nonprofit organization elects or is required to finance its benefit
34 costs with contributions to the fund or by payments in lieu of
35 contributions, after that employer has satisfied the conditions set
36 forth in subsection (h) of R.S.43:21-19 with respect to becoming an
37 employer, provided that the contributions shall be at the rate of
38 0.10% of wages paid with respect to employment with the State of
39 New Jersey or any other governmental entity or instrumentality
40 electing or required to make payments in lieu of contributions.

41 Each worker shall, starting on January 1, 1999 until December
42 31, 1999, contribute to the unemployment compensation fund
43 0.15% of wages paid with respect to the worker's employment with
44 a governmental employer electing or required to pay contributions
45 or nongovernmental employer, including a nonprofit organization
46 which is an employer as defined under paragraph (6) of subsection
47 (h) of R.S.43:21-19, regardless of whether that nonprofit
48 organization elects or is required to finance its benefit costs with

1 contributions to the fund or by payments in lieu of contributions,
2 after that employer has satisfied the conditions set forth in
3 subsection (h) of R.S.43:21-19 with respect to becoming an
4 employer, provided that the contributions shall be at the rate of
5 0.10% of wages paid with respect to employment with the State of
6 New Jersey or any other governmental entity or instrumentality
7 electing or required to make payments in lieu of contributions.

8 Each worker shall, starting on January 1, 2000 until December
9 31, 2001, contribute to the unemployment compensation fund
10 0.20% of wages paid with respect to the worker's employment with
11 a governmental employer electing or required to pay contributions
12 or nongovernmental employer, including a nonprofit organization
13 which is an employer as defined under paragraph (6) of subsection
14 (h) of R.S.43:21-19, regardless of whether that nonprofit
15 organization elects or is required to finance its benefit costs with
16 contributions to the fund or by payments in lieu of contributions,
17 after that employer has satisfied the conditions set forth in
18 subsection (h) of R.S.43:21-19 with respect to becoming an
19 employer, provided that the contributions shall be at the rate of
20 0.10% of wages paid with respect to employment with the State of
21 New Jersey or any other governmental entity or instrumentality
22 electing or required to make payments in lieu of contributions.

23 Each worker shall, starting on January 1, 2002 until June 30,
24 2004, contribute to the unemployment compensation fund 0.1825%
25 of wages paid with respect to the worker's employment with a
26 governmental employer electing or required to pay contributions or
27 a nongovernmental employer, including a nonprofit organization
28 which is an employer as defined under paragraph (6) of subsection
29 (h) of R.S.43:21-19, regardless of whether that nonprofit
30 organization elects or is required to finance its benefit costs with
31 contributions to the fund or by payments in lieu of contributions,
32 after that employer has satisfied the conditions set forth in
33 subsection (h) of R.S.43:21-19 with respect to becoming an
34 employer, provided that the contributions shall be at the rate of
35 0.0825% of wages paid with respect to employment with the State
36 of New Jersey or any other governmental entity or instrumentality
37 electing or required to make payments in lieu of contributions.

38 Each worker shall, starting on and after July 1, 2004, contribute
39 to the unemployment compensation fund 0.3825% of wages paid
40 with respect to the worker's employment with a governmental
41 employer electing or required to pay contributions or
42 nongovernmental employer, including a nonprofit organization
43 which is an employer as defined under paragraph (6) of subsection
44 (h) of R.S.43:21-19, regardless of whether that nonprofit
45 organization elects or is required to finance its benefit costs with
46 contributions to the fund or by payments in lieu of contributions,
47 after that employer has satisfied the conditions set forth in
48 subsection (h) of R.S.43:21-19 with respect to becoming an

1 employer, provided that the contributions shall be at the rate of
2 0.0825% of wages paid with respect to employment with the State
3 of New Jersey or any other governmental entity or instrumentality
4 electing or required to make payments in lieu of contributions.

5 (E) Each employer shall, notwithstanding any provision of law
6 in this State to the contrary, withhold in trust the amount of his
7 workers' contributions from their wages at the time such wages are
8 paid, shall show such deduction on his payroll records, shall furnish
9 such evidence thereof to his workers as the division or controller
10 may prescribe, and shall transmit all such contributions, in addition
11 to his own contributions, to the office of the controller in such
12 manner and at such times as may be prescribed. If any employer
13 fails to deduct the contributions of any of his workers at the time
14 their wages are paid, or fails to make a deduction therefor at the
15 time wages are paid for the next succeeding payroll period, he alone
16 shall thereafter be liable for such contributions, and for the purpose
17 of R.S.43:21-14, such contributions shall be treated as employer's
18 contributions required from him.

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

22 (G) (i) Each worker shall, starting on July 1, 1994, contribute to
23 the State disability benefits fund an amount equal to 0.50% of
24 wages paid with respect to the worker's employment with a
25 government employer electing or required to pay contributions to
26 the State disability benefits fund or nongovernmental employer,
27 including a nonprofit organization which is an employer as defined
28 under paragraph (6) of subsection (h) of R.S.43:21-19, unless the
29 employer is covered by an approved private disability plan or is
30 exempt from the provisions of the "Temporary Disability Benefits
31 Law," P.L.1948, c.110 (C.43:21-25 et seq.) under section 7 of that
32 law (C.43:21-31) or any other provision of that law.

33 (ii) Each worker shall contribute to the State disability benefits
34 fund, in addition to any amount contributed pursuant to
35 subparagraph (i) of this paragraph (1)(G), an amount equal to,
36 during calendar year 2009, 0.09%, and during calendar year 2010
37 and each subsequent calendar year, 0.12%, of wages paid with
38 respect to the worker's employment with any covered employer,
39 including a governmental employer which is an employer as defined
40 under R.S.43:21-19(h)(5), unless the employer is covered by an
41 approved private disability plan for benefits during periods of
42 family temporary disability leave. The contributions made pursuant
43 to this subparagraph (ii) to the State disability benefits fund shall be
44 deposited into an account of that fund reserved for the payment of
45 benefits during periods of family temporary disability leave as
46 defined in section 3 of the "Temporary Disability Benefits Law,"
47 P.L.1948, c.110 (C.43:21-27) and for the administration of those
48 payments and shall not be used for any other purpose. This account

1 shall be known as the “Family Temporary Disability Leave
2 Account.” Necessary administrative costs shall include the cost of
3 an outreach program to inform employees of the availability of the
4 benefits and the cost of issuing the reports required or permitted
5 pursuant to section 13 of P.L. , c. (C.) (pending before the
6 Legislature as this bill). No monies, other than the funds in the
7 “Family Temporary Disability Leave Account,” shall be used for
8 the payment of benefits during periods of family disability leave or
9 for the administration of those payments, with the sole exception
10 that, during calendar years 2008 and 2009, a total amount not
11 exceeding \$25 million may be transferred to that account from the
12 revenues received in the State disability benefits fund pursuant to
13 subparagraph (i) of this paragraph (1)(G) and be expended for those
14 payments and their administration, including the administration of
15 the collection of contributions made pursuant to this subparagraph
16 (ii) and any other necessary administrative costs. Any amount
17 transferred to the account pursuant to this subparagraph (ii) shall be
18 repaid during a period beginning not later than January 1, 2011 and
19 ending not later than December 31, 2015. No monies, other than
20 the funds in the “Family Temporary Disability Leave Account,”
21 shall be used under any circumstances after December 31, 2009, for
22 the payment of benefits during periods of family temporary
23 disability leave or for the administration of those payments,
24 including for the administration of the collection of contributions
25 made pursuant to this subparagraph (ii).

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

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

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

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

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

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

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

33 (3) If an employee receives wages from more than one employer
34 during any calendar year, and either the sum of his contributions
35 deposited in and credited to the State disability benefits fund plus
36 the amount of his contributions, if any, required towards the costs
37 of benefits under one or more approved private plans under the
38 provisions of section 9 of the "Temporary Disability Benefits Law"
39 (C.43:21-33) and deducted from his wages, or the sum of such latter
40 contributions, if the employee is covered during such calendar year
41 only by two or more private plans, exceeds an amount equal to 1/2
42 of 1% of the "wages" determined in accordance with the provisions
43 of R.S.43:21-7(b)(3) during the calendar years beginning on or after
44 January 1, 1976, the employee shall be entitled to a refund of the
45 excess if he makes a claim to the controller within two years after
46 the end of the calendar year in which the wages are received with
47 respect to which the refund is claimed and establishes his right to
48 such refund. Such refund shall be made by the controller from the

1 State disability benefits fund. No interest shall be allowed or paid
2 with respect to any such refund. The controller shall, in accordance
3 with prescribed regulations, determine the portion of the aggregate
4 amount of such refunds made during any calendar year which is
5 applicable to private plans for which deductions were made under
6 section 9 of the "Temporary Disability Benefits Law" (C.43:21-33)
7 such determination to be based upon the ratio of the amount of such
8 wages exempt from contributions to such fund, as provided in
9 subparagraph (B) of paragraph (1) of this subsection with respect to
10 coverage under private plans, to the total wages so exempt plus the
11 amount of such wages subject to contributions to the disability
12 benefits fund, as provided in subparagraph (G) of paragraph (1) of
13 this subsection. The controller shall, in accordance with prescribed
14 regulations, prorate the amount so determined among the applicable
15 private plans in the proportion that the wages covered by each plan
16 bear to the total private plan wages involved in such refunds, and
17 shall assess against and recover from the employer, or the insurer if
18 the insurer has indemnified the employer with respect thereto, the
19 amount so prorated. The provisions of R.S.43:21-14 with respect to
20 collection of employer contributions shall apply to such
21 assessments. The amount so recovered by the controller shall be
22 paid into the State disability benefits fund.

23 (4) If an individual does not receive any wages from the
24 employing unit which for the purposes of this chapter (R.S.43:21-1
25 et seq.) is treated as his employer, or receives his wages from some
26 other employing unit, such employer shall nevertheless be liable for
27 such individual's contributions in the first instance; and after
28 payment thereof such employer may deduct the amount of such
29 contributions from any sums payable by him to such employing
30 unit, or may recover the amount of such contributions from such
31 employing unit, or, in the absence of such an employing unit, from
32 such individual, in a civil action; provided proceedings therefor are
33 instituted within three months after the date on which such
34 contributions are payable. General rules shall be prescribed
35 whereby such an employing unit may recover the amount of such
36 contributions from such individuals in the same manner as if it were
37 the employer.

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

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

48 (e) Contributions by employers to State disability benefits fund.

1 (1) Except as hereinafter provided, each employer shall, in
2 addition to the contributions required by subsections (a), (b), and
3 (c) of this section, contribute 1/2 of 1% of the wages paid by such
4 employer to workers with respect to employment unless he is not a
5 covered employer as defined in section 3 of the "Temporary
6 Disability Benefits Law" (C.43:21-27 (a)), except that the rate for
7 the State of New Jersey shall be 1/10 of 1% for the calendar year
8 1980 and for the first six months of 1981. Prior to July 1, 1981 and
9 prior to July 1 each year thereafter, the controller shall review the
10 experience accumulated in the account of the State of New Jersey
11 and establish a rate for the next following fiscal year which, in
12 combination with worker contributions, will produce sufficient
13 revenue to keep the account in balance; except that the rate so
14 established shall not be less than 1/10 of 1%. Such contributions
15 shall become due and be paid by the employer to the controller for
16 the State disability benefits fund as established by law, in
17 accordance with such regulations as may be prescribed, and shall
18 not be deducted, in whole or in part, from the remuneration of
19 individuals in his employ. In the payment of any contributions, a
20 fractional part of a cent shall be disregarded unless it amounts to
21 \$0.005 or more, in which case it shall be increased to \$0.01.

22 (2) During the continuance of coverage of a worker by an
23 approved private plan of disability benefits under the "Temporary
24 Disability Benefits Law," the employer shall be exempt from the
25 contributions required by subparagraph (1) above with respect to
26 wages paid to such worker.

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

30 (B) A separate disability benefits account shall be maintained for
31 each employer required to contribute to the State disability benefits
32 fund and such account shall be credited with contributions
33 deposited in and credited to such fund with respect to employment
34 occurring on and after January 1, 1949. Each employer's account
35 shall be credited with all contributions paid on or before January 31
36 of any calendar year on his own behalf and on behalf of individuals
37 in his service with respect to employment occurring in preceding
38 calendar years; provided, however, that if January 31 of any
39 calendar year falls on a Saturday or Sunday an employer's account
40 shall be credited as of January 31 of such calendar year with all the
41 contributions which he has paid on or before the next succeeding
42 day which is not a Saturday or Sunday. But nothing in this act shall
43 be construed to grant any employer or individuals in his service
44 prior claims or rights to the amounts paid by him to the fund either
45 on his own behalf or on behalf of such individuals. Benefits paid to
46 any covered individual in accordance with Article III of the
47 "Temporary Disability Benefits Law" on or before December 31 of
48 any calendar year with respect to disability in such calendar year

1 and in preceding calendar years shall be charged against the account
2 of the employer by whom such individual was employed at the
3 commencement of such disability or by whom he was last
4 employed, if out of employment.

5 (C) The controller may prescribe regulations for the
6 establishment, maintenance, and dissolution of joint accounts by
7 two or more employers, and shall, in accordance with such
8 regulations and upon application by two or more employers to
9 establish such an account, or to merge their several individual
10 accounts in a joint account, maintain such joint account as if it
11 constituted a single employer's account.

12 (D) Prior to July 1 of each calendar year, the controller shall
13 make a preliminary determination of the rate of contribution for the
14 12 months commencing on such July 1 for each employer subject to
15 the contribution requirements of this subsection (e).

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

21 (2) If the minimum requirements in (1) above have been
22 fulfilled and the credited contributions exceed the benefits charged
23 by more than \$500.00, such preliminary rate shall be as follows:

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

27 (ii) $\frac{15}{100}$ of 1% if such excess over \$500.00 equals or exceeds
28 $1\frac{1}{4}\%$ but is less than $1\frac{1}{2}\%$ of his average annual payroll;

29 (iii) $\frac{1}{10}$ of 1% if such excess over \$500.00 equals or exceeds $\frac{1}{2}$
30 $\frac{1}{2}\%$ of his average annual payroll.

31 (3) If the minimum requirements in (1) above have been
32 fulfilled and the contributions credited exceed the benefits charged
33 but by not more than \$500.00 plus 1% of his average annual
34 payroll, or if the benefits charged exceed the contributions credited
35 but by not more than \$500.00, the preliminary rate shall be $\frac{1}{4}$ of
36 1%.

37 (4) If the minimum requirements in (1) above have been
38 fulfilled and the benefits charged exceed the contributions credited
39 by more than \$500.00, such preliminary rate shall be as follows:

40 (i) $\frac{35}{100}$ of 1% if such excess over \$500.00 is less than $\frac{1}{4}$ of
41 1% of his average annual payroll;

42 (ii) $\frac{45}{100}$ of 1% if such excess over \$500.00 equals or exceeds
43 $\frac{1}{4}$ of 1% but is less than $\frac{1}{2}$ of 1% of his average annual payroll;

44 (iii) $\frac{55}{100}$ of 1% if such excess over \$500.00 equals or exceeds
45 $\frac{1}{2}$ of 1% but is less than $\frac{3}{4}$ of 1% of his average annual payroll;

46 (iv) $\frac{65}{100}$ of 1% if such excess over \$500.00 equals or exceeds
47 $\frac{3}{4}$ of 1% but is less than 1% of his average annual payroll;

1 (v) 75/100 of 1% if such excess over \$500.00 equals or exceeds
2 1% of his average annual payroll.

3 (5) Determination of the preliminary rate as specified in (2), (3)
4 and (4) above shall be subject, however, to the condition that it
5 shall in no event be decreased by more than 1/10 of 1% of wages or
6 increased by more than 2/10 of 1% of wages from the preliminary
7 rate determined for the preceding year in accordance with (1), (2),
8 (3) or (4), whichever shall have been applicable.

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

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

27 (i) If the percentage determined in accordance with paragraph
28 (E)(1) of this subsection equals or exceeds 1 1/4%, the final
29 employer rates shall be the preliminary rates determined as
30 provided in (D) hereof, except that if the employer's preliminary
31 rate is determined as provided in (D)(2) or (D)(3) hereof, the final
32 employer rate shall be the preliminary employer rate decreased by
33 such percentage of excess taken to the nearest 5/100 of 1%, but in
34 no case shall such final rate be less than 1/10 of 1%.

35 (ii) If the percentage determined in accordance with paragraph
36 (E)(1) of this subsection equals or exceeds 3/4 of 1% and is less
37 than 1 1/4 of 1%, the final employer rates shall be the preliminary
38 employer rates.

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

1 3/4 of 1% in the case of an employer whose preliminary rate is
2 determined as provided in (D)(4) hereof.

3 (iv) If the amount of the State disability benefits fund determined
4 as provided in paragraph (E)(1) of this subsection is equal to or less
5 than 1/4 of 1%, then the final rate shall be 2/5 of 1% in the case of
6 an employer whose preliminary rate is determined as provided in
7 (D)(2) hereof, 7/10 of 1% in the case of an employer whose
8 preliminary rate is determined as provided in (D)(1) and (D)(3)
9 hereof, and 1.1% in the case of an employer whose preliminary rate
10 is determined as provided in (D)(4) hereof. Notwithstanding any
11 other provision of law or any determination made by the controller
12 with respect to any 12-month period commencing on July 1, 1970,
13 the final rates for all employers for the period beginning January 1,
14 1971, shall be as set forth herein.

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

20 (i) No disability benefits have been paid with respect to periods
21 of family temporary disability leave; and

22 (ii) No worker paid any contributions to the State disability
23 benefits fund pursuant to paragraph (1)(G)(ii) of subsection (d) of
24 this section.

25 (cf: P.L.2005, c.249, s.1)

26

27 16. (New Section) Gross income shall not include benefits for
28 family temporary disability leave paid pursuant to P.L.1948, c.110
29 (C.43:21-25 et seq.) and P.L. ,c. (C.) (pending before the
30 Legislature as this bill).

31

32 17. This act shall take effect immediately.