

P.L.2010, CHAPTER 37, *approved July 1, 2010*  
Senate, No. 1813 (*First Reprint*)  
(CORRECTED COPY)

1 AN ACT reducing employer unemployment taxes and amending  
2 R.S.43:21-7.

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

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

8 43:21-7. Contributions. Employers other than governmental  
9 entities, whose benefit financing provisions are set forth in section 4  
10 of P.L.1971, c.346 (C.43:21-7.3), and those nonprofit organizations  
11 liable for payment in lieu of contributions on the basis set forth in  
12 section 3 of P.L.1971, c.346 (C.43:21-7.2), shall pay to the  
13 controller for the unemployment compensation fund, contributions  
14 as set forth in subsections (a), (b) and (c) hereof, and the provisions  
15 of subsections (d) and (e) shall be applicable to all employers,  
16 consistent with the provisions of the "unemployment compensation  
17 law" and the "Temporary Disability Benefits Law," P.L.1948, c.110  
18 (C.43:21-25 et al.).

19 (a) Payment.

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

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

32 (b) Rate of contributions. Each employer shall pay the following  
33 contributions:

34 (1) For the calendar year 1947, and each calendar year  
35 thereafter, 2 7/10% of wages paid by him during each such calendar

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Senate amendments adopted in accordance with Governor's recommendations  
June 28, 2010.

1 year, except as otherwise prescribed by subsection (c) of this  
2 section.

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

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

43 (c) Future rates based on benefit experience.

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

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

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

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

40 (3) No employer's rate shall be lower than 5.4% unless  
41 assignment of such lower rate is consistent with the conditions  
42 applicable to additional credit allowance for such year under section  
43 3303(a)(1) of the Internal Revenue Code of 1986 (26 U.S.C.  
44 s.3303(a)(1)), any other provision of this section to the contrary  
45 notwithstanding.

46 (4) Employer Reserve Ratio. (A) Each employer's rate shall be  
47  $2 \frac{8}{10}\%$ , except as otherwise provided in the following provisions.  
48 No employer's rate for the 12 months commencing July 1 of any

1 calendar year shall be other than 2 8/10%, unless as of the  
2 preceding January 31 such employer shall have paid contributions  
3 with respect to wages paid in each of the three calendar years  
4 immediately preceding such year, in which case such employer's  
5 rate for the 12 months commencing July 1 of any calendar year  
6 shall be determined on the basis of his record up to the beginning of  
7 such calendar year. If, at the beginning of such calendar year, the  
8 total of all his contributions, paid on his own behalf, for all past  
9 years exceeds the total benefits charged to his account for all such  
10 years, his contribution rate shall be:

11 (1) 2 5/10%, if such excess equals or exceeds 4%, but less than  
12 5%, of his average annual payroll (as defined in paragraph (2),  
13 subsection (a) of R.S.43:21-19);

14 (2) 2 2/10%, if such excess equals or exceeds 5%, but is less  
15 than 6%, of his average annual payroll;

16 (3) 1 9/10%, if such excess equals or exceeds 6%, but is less  
17 than 7%, of his average annual payroll;

18 (4) 1 6/10%, if such excess equals or exceeds 7%, but is less  
19 than 8%, of his average annual payroll;

20 (5) 1 3/10%, if such excess equals or exceeds 8%, but is less  
21 than 9%, of his average annual payroll;

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

24 (7) 7/10 of 1%, if such excess equals or exceeds 10%, but is less  
25 than 11%, of his average annual payroll;

26 (8) 4/10 of 1%, if such excess equals or exceeds 11% of his  
27 average annual payroll.

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

32 (1) 4%, if such excess is less than 10% of his average annual  
33 payroll;

34 (2) 4 3/10%, if such excess equals or exceeds 10%, but is less  
35 than 20%, of his average annual payroll;

36 (3) 4 6/10%, if such excess equals or exceeds 20% of his  
37 average annual payroll.

38 (C) Specially assigned rates.

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

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

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

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

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

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

13 (5) (A) Unemployment Trust Fund Reserve Ratio. If on March  
14 31 of any calendar year the balance in the unemployment trust fund  
15 equals or exceeds 4% but is less than 7% of the total taxable wages  
16 reported to the controller as of that date in respect to employment  
17 during the preceding calendar year, the contribution rate, effective  
18 July 1 following, of each employer eligible for a contribution rate  
19 calculation based upon benefit experience, shall be increased by  
20  $\frac{3}{10}$  of 1% over the contribution rate otherwise established under  
21 the provisions of paragraph (3) or (4) of this subsection. If on  
22 March 31 of any calendar year the balance of the unemployment  
23 trust fund exceeds  $2\frac{1}{2}\%$  but is less than 4% of the total taxable  
24 wages reported to the controller as of that date in respect to  
25 employment during the preceding calendar year, the contribution  
26 rate, effective July 1 following, of each employer eligible for a  
27 contribution rate calculation based upon benefit experience, shall be  
28 increased by  $\frac{6}{10}$  of 1% over the contribution rate otherwise  
29 established under the provisions of paragraph (3) or (4) of this  
30 subsection.

31 If on March 31 of any calendar year the balance of the  
32 unemployment trust fund is less than  $2\frac{1}{2}\%$  of the total taxable  
33 wages reported to the controller as of that date in respect to  
34 employment during the preceding calendar year, the contribution  
35 rate, effective July 1 following, of each employer: (1) eligible for a  
36 contribution rate calculation based upon benefit experience, shall be  
37 increased by (i)  $\frac{6}{10}$  of 1% over the contribution rate otherwise  
38 established under the provisions of paragraph (3), (4)(A) or (4)(B)  
39 of this subsection, and (ii) an additional amount equal to 20% of the  
40 total rate established herein, provided, however, that the final  
41 contribution rate for each employer shall be computed to the nearest  
42 multiple of  $\frac{1}{10}\%$  if not already a multiple thereof; (2) not eligible  
43 for a contribution rate calculation based upon benefit experience,  
44 shall be increased by  $\frac{6}{10}$  of 1% over the contribution rate  
45 otherwise established under the provisions of paragraph (4) of this  
46 subsection. For the period commencing July 1, 1984 and ending  
47 June 30, 1986, the contribution rate for each employer liable to pay  
48 contributions under R.S.43:21-7 shall be increased by a factor of

1 10% computed to the nearest multiple of 1/10% if not already a  
2 multiple thereof.

3 (B) If on March 31 of any calendar year the balance in the  
4 unemployment trust fund equals or exceeds 10% but is less than 12  
5 1/2% of the total taxable wages reported to the controller as of that  
6 date in respect to employment during the preceding calendar year,  
7 the contribution rate, effective July 1 following, of each employer  
8 eligible for a contribution rate calculation based upon benefit  
9 experience, shall be reduced by 3/10 of 1% under the contribution  
10 rate otherwise established under the provisions of paragraphs (3)  
11 and (4) of this subsection; provided that in no event shall the  
12 contribution rate of any employer be reduced to less than 4/10 of  
13 1%. If on March 31 of any calendar year the balance in the  
14 unemployment trust fund equals or exceeds 12 1/2% of the total  
15 taxable wages reported to the controller as of that date in respect to  
16 employment during the preceding calendar year, the contribution  
17 rate, effective July 1 following, of each employer eligible for a  
18 contribution rate calculation based upon benefit experience, shall be  
19 reduced by 6/10 of 1% if his account for all past periods reflects an  
20 excess of contributions paid over total benefits charged of 3% or  
21 more of his average annual payroll, otherwise by 3/10 of 1% under  
22 the contribution rate otherwise established under the provisions of  
23 paragraphs (3) and (4) of this subsection; provided that in no event  
24 shall the contribution rate of any employer be reduced to less than  
25 4/10 of 1%.

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

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

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

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

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

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

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

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

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

4 EXPERIENCE RATING TAX TABLE					
5 Fund Reserve Ratio <sup>1</sup>					
6	1.40%	1.00%	0.75%	0.50%	0.49%
7 Employer	and	to	to	to	and
8 Reserve	Over	1.39%	0.99%	0.74%	Under
9 Ratio <sup>2</sup>	A	B	C	D	E
10 Positive Reserve Ratio:					
11 17% and over	0.3	0.4	0.5	0.6	1.2
12 16.00% to 16.99%	0.4	0.5	0.6	0.6	1.2
13 15.00% to 15.99%	0.4	0.6	0.7	0.7	1.2
14 14.00% to 14.99%	0.5	0.6	0.7	0.8	1.2
15 13.00% to 13.99%	0.6	0.7	0.8	0.9	1.2
16 12.00% to 12.99%	0.6	0.8	0.9	1.0	1.2
17 11.00% to 11.99%	0.7	0.8	1.0	1.1	1.2
18 10.00% to 10.99%	0.9	1.1	1.3	1.5	1.6
19 9.00% to 9.99%	1.0	1.3	1.6	1.7	1.9
20 8.00% to 8.99%	1.3	1.6	1.9	2.1	2.3
21 7.00% to 7.99%	1.4	1.8	2.2	2.4	2.6
22 6.00% to 6.99%	1.7	2.1	2.5	2.8	3.0
23 5.00% to 5.99%	1.9	2.4	2.8	3.1	3.4
24 4.00% to 4.99%	2.0	2.6	3.1	3.4	3.7
25 3.00% to 3.99%	2.1	2.7	3.2	3.6	3.9
26 2.00% to 2.99%	2.2	2.8	3.3	3.7	4.0
27 1.00% to 1.99%	2.3	2.9	3.4	3.8	4.1
28 0.00% to 0.99%	2.4	3.0	3.6	4.0	4.3
29 Deficit Reserve Ratio:					
30 -0.00% to -2.99%	3.4	4.3	5.1	5.6	6.1
31 -3.00% to -5.99%	3.4	4.3	5.1	5.7	6.2
32 -6.00% to -8.99%	3.5	4.4	5.2	5.8	6.3
33 -9.00% to -11.99%	3.5	4.5	5.3	5.9	6.4
34 -12.00% to -14.99%	3.6	4.6	5.4	6.0	6.5
35 -15.00% to -19.99%	3.6	4.6	5.5	6.1	6.6
36 -20.00% to -24.99%	3.7	4.7	5.6	6.2	6.7
37 -25.00% to -29.99%	3.7	4.8	5.6	6.3	6.8
38 -30.00% to -34.99%	3.8	4.8	5.7	6.3	6.9
39 -35.00% and under	5.4	5.4	5.8	6.4	7.0
40 New Employer Rate	2.8	2.8	2.8	3.1	3.4

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

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

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

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

47 (iii) With respect to experience rating years beginning on or after  
 48 July 1, 2004, if the fund reserve ratio, based on the fund balance as

1 of the prior March 31, is less than 0.50%, the contribution rate for  
2 each employer liable to pay contributions, as computed under  
3 subparagraph (E) of this paragraph (5), shall be increased by a  
4 factor of 10% computed to the nearest multiple of 1/10% if not  
5 already a multiple thereof.

6 (G) On or after January 1, 1993, notwithstanding any other  
7 provisions of this paragraph (5), the contribution rate for each  
8 employer liable to pay contributions, as computed under  
9 subparagraph (E) of this paragraph (5), shall be decreased by 0.1%,  
10 except that, during any experience rating year starting before  
11 January 1, 1998 in which the fund reserve ratio is equal to or greater  
12 than 7.00% or during any experience rating year starting on or after  
13 January 1, 1998, in which the fund reserve ratio is equal to or  
14 greater than 3.5%, there shall be no decrease pursuant to this  
15 subparagraph (G) in the contribution of any employer who has a  
16 deficit reserve ratio of negative 35.00% or under.

17 (H) On and after January 1, 1998 until December 31, 2000 and  
18 on or after January 1, 2002 until June 30, 2006, the contribution rate  
19 for each employer liable to pay contributions, as computed under  
20 subparagraph (E) of this paragraph (5), shall be decreased by a  
21 factor, as set out below, computed to the nearest multiple of 1/10%,  
22 except that, if an employer has a deficit reserve ratio of negative  
23 35.0% or under, the employer's rate of contribution shall not be  
24 reduced pursuant to this subparagraph (H) to less than 5.4%:

25 From January 1, 1998 until December 31, 1998, a factor of 12%;  
26 From January 1, 1999 until December 31, 1999, a factor of 10%;  
27 From January 1, 2000 until December 31, 2000, a factor of 7%;  
28 From January 1, 2002 until March 31, 2002, a factor of 36%;  
29 From April 1, 2002 until June 30, 2002, a factor of 85%;  
30 From July 1, 2002 until June 30, 2003, a factor of 15%;  
31 From July 1, 2003 until June 30, 2004, a factor of 15%;  
32 From July 1, 2004 until June 30, 2005, a factor of 7%;  
33 From July 1, 2005 until December 31, 2005, a factor of 16%; and  
34 From January 1, 2006 until June 30, 2006, a factor of 34%.

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%.

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

44 (J) On or after July 1, 2001, notwithstanding any other  
45 provisions of this paragraph (5), the contribution rate for each  
46 employer liable to pay contributions, as computed under  
47 subparagraph (E) of this paragraph (5), shall be decreased by  
48 0.0175%, except that, during any experience rating year starting on



1 or after July 1, 2001, in which the fund reserve ratio is equal to or  
2 greater than 3.5%, there shall be no decrease pursuant to this  
3 subparagraph (J) in the contribution of any employer who has a  
4 deficit reserve ratio of negative 35.00% or under. The amount of the  
5 reduction in the employer contributions stipulated by this  
6 subparagraph (J) shall be in addition to the amount of the reduction  
7 in the employer contributions stipulated by subparagraphs (G) and  
8 (H) of this paragraph (5), except that the rate of contribution of an  
9 employer who has a deficit reserve ratio of negative 35.0% or under  
10 shall not be reduced pursuant to this subparagraph (J) to less than  
11 5.4% and the rate of contribution of any other employer shall not be  
12 reduced to less than 0.0%.

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

16 **[(1)]** (i) Equal to or greater than 5.00% but less than 7.5%, the  
17 contribution rate for each employer liable to pay contributions, as  
18 computed under subparagraph (E) of this paragraph (5), shall be  
19 reduced by a factor of 25% computed to the nearest multiple of  
20 1/10% if not already a multiple thereof except that there shall be no  
21 decrease pursuant to this subparagraph (K) in the contribution of  
22 any employer who has a deficit reserve ratio of 35.00% or under**【.】**  
23 ;

24 **[(2)]** (ii) Equal to or greater than 7.5% but less than 10.0%, the  
25 contribution rate for each employer liable to pay contributions, as  
26 computed under subparagraph (E) of this paragraph (5), shall be  
27 reduced by a factor of 50% computed to the nearest multiple of  
28 1/10% if not already a multiple thereof except that there shall be no  
29 decrease pursuant to this subparagraph (K) in the contribution of  
30 any employer who has a deficit reserve ratio of 35.00% or under.

31 (L) Notwithstanding any other provision of this paragraph (5)  
32 and notwithstanding the actual fund reserve ratio, the contribution  
33 rate for employers liable to pay contributions, as computed under  
34 subparagraph (E) of this paragraph (5), shall be, for fiscal year  
35 2011, the rates set by column "C" of the table in that subparagraph.

36 (6) Additional contributions.

37 Notwithstanding any other provision of law, any employer who  
38 has been assigned a contribution rate pursuant to subsection (c) of  
39 this section for the year commencing July 1, 1948, and for any year  
40 commencing July 1 thereafter, may voluntarily make payment of  
41 additional contributions, and upon such payment shall receive a  
42 recomputation of the experience rate applicable to such employer,  
43 including in the calculation the additional contribution so made,  
44 except that, following a transfer as described under R.S.43:21-  
45 7(c)(7)(D), neither the predecessor nor successor in interest shall be  
46 eligible to make a voluntary payment of additional contributions  
47 during the year the transfer occurs and the next full calendar year.  
48 Any such additional contribution shall be made during the 30-day

1 period following the date of the mailing to the employer of the  
2 notice of his contribution rate as prescribed in this section, unless,  
3 for good cause, the time for payment has been extended by the  
4 controller for not to exceed an additional 60 days; provided that in  
5 no event may such payments which are made later than 120 days  
6 after the beginning of the year for which such rates are effective be  
7 considered in determining the experience rate for the year in which  
8 the payment is made. Any employer receiving any extended period  
9 of time within which to make such additional payment and failing  
10 to make such payment timely shall be, in addition to the required  
11 amount of additional payment, liable for a penalty of 5% thereof or  
12 \$5.00, whichever is greater, not to exceed \$50.00. Any adjustment  
13 under this subsection shall be made only in the form of credits  
14 against accrued or future contributions.

15 (7) Transfers.

16 (A) Upon the transfer of the organization, trade or business, or  
17 substantially all the assets of an employer to a successor in interest,  
18 whether by merger, consolidation, sale, transfer, descent or  
19 otherwise, the controller shall transfer the employment experience  
20 of the predecessor employer to the successor in interest, including  
21 credit for past years, contributions paid, annual payrolls, benefit  
22 charges, et cetera, applicable to such predecessor employer,  
23 pursuant to regulation, if it is determined that the employment  
24 experience of the predecessor employer with respect to the  
25 organization, trade, assets or business which has been transferred  
26 may be considered indicative of the future employment experience  
27 of the successor in interest. The successor in interest may, within  
28 four months of the date of such transfer of the organization, trade,  
29 assets or business, or thereafter upon good cause shown, request a  
30 reconsideration of the transfer of employment experience of the  
31 predecessor employer. The request for reconsideration shall  
32 demonstrate, to the satisfaction of the controller, that the  
33 employment experience of the predecessor is not indicative of the  
34 future employment experience of the successor.

35 (B) An employer who transfers part of his or its organization,  
36 trade, assets or business to a successor in interest, whether by  
37 merger, consolidation, sale, transfer, descent or otherwise, may  
38 jointly make application with such successor in interest for transfer  
39 of that portion of the employment experience of the predecessor  
40 employer relating to the portion of the organization, trade, assets or  
41 business transferred to the successor in interest, including credit for  
42 past years, contributions paid, annual payrolls, benefit charges, et  
43 cetera, applicable to such predecessor employer. The transfer of  
44 employment experience may be allowed pursuant to regulation only  
45 if it is found that the employment experience of the predecessor  
46 employer with respect to the portion of the organization, trade,  
47 assets or business which has been transferred may be considered  
48 indicative of the future employment experience of the successor in

1 interest. Credit shall be given to the successor in interest only for  
2 the years during which contributions were paid by the predecessor  
3 employer with respect to that part of the organization, trade, assets  
4 or business transferred.

5 (C) A transfer of the employment experience in whole or in part  
6 having become final, the predecessor employer thereafter shall not  
7 be entitled to consideration for an adjusted rate based upon his or its  
8 experience or the part thereof, as the case may be, which has thus  
9 been transferred. A successor in interest to whom employment  
10 experience or a part thereof is transferred pursuant to this  
11 subsection shall, as of the date of the transfer of the organization,  
12 trade, assets or business, or part thereof, immediately become an  
13 employer if not theretofore an employer subject to this chapter  
14 (R.S.43:21-1 et seq.).

15 (D) If an employer transfers in whole or in part his or its  
16 organization, trade, assets or business to a successor in interest,  
17 whether by merger, consolidation, sale, transfer, descent or  
18 otherwise and both the employer and successor in interest are at the  
19 time of the transfer under common ownership, management or  
20 control, then the employment experience attributable to the  
21 transferred business shall also be transferred to and combined with  
22 the employment experience of the successor in interest. The  
23 transfer of the employment experience is mandatory and not subject  
24 to appeal or protest.

25 (E) The transfer of part of an employer's employment experience  
26 to a successor in interest shall become effective as of the first day of  
27 the calendar quarter following the acquisition by the successor in  
28 interest. As of the effective date, the successor in interest shall  
29 have its employer rate recalculated by merging its existing  
30 employment experience, if any, with the employment experience  
31 acquired. If the successor in interest is not an employer as of the  
32 date of acquisition, it shall be assigned the new employer rate until  
33 the effective date of the transfer of employment experience.

34 (F) Upon the transfer in whole or in part of the organization,  
35 trade, assets or business to a successor in interest, the employment  
36 experience shall not be transferred if the successor in interest is not  
37 an employer at the time of the acquisition and the controller finds  
38 that the successor in interest acquired the business solely or  
39 primarily for the purpose of obtaining a lower rate of contributions.

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

42 (1) (A) For periods after January 1, 1975, each worker shall  
43 contribute to the fund 1% of his wages with respect to his  
44 employment with an employer, which occurs on and after January  
45 1, 1975, after such employer has satisfied the condition set forth in  
46 subsection (h) of R.S.43:21-19 with respect to becoming an  
47 employer; provided, however, that such contributions shall be at the  
48 rate of 1/2 of 1% of wages paid with respect to employment while

1 the worker is in the employ of the State of New Jersey, or any  
2 governmental entity or instrumentality which is an employer as  
3 defined under R.S.43:21-19(h)(5), or is covered by an approved  
4 private plan under the "Temporary Disability Benefits Law" or  
5 while the worker is exempt from the provisions of the "Temporary  
6 Disability Benefits Law" under section 7 of that law, P.L.1948,  
7 c.110 (C.43:21-31).

8 (B) Effective January 1, 1978 there shall be no contributions by  
9 workers in the employ of any governmental or nongovernmental  
10 employer electing or required to make payments in lieu of  
11 contributions unless the employer is covered by the State plan under  
12 the "Temporary Disability Benefits Law" (C.43:21-25 et al.), and in  
13 that case contributions shall be at the rate of 1/2 of 1%, except that  
14 commencing July 1, 1986, workers in the employ of any  
15 nongovernmental employer electing or required to make payments  
16 in lieu of contributions shall be required to make contributions to  
17 the fund at the same rate prescribed for workers of other  
18 nongovernmental employers.

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

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

46 (D) Notwithstanding any other provisions of this paragraph (1),  
47 during the period starting January 1, 1993 and ending June 30,  
48 1994, each worker shall contribute to the unemployment

1 compensation fund 0.5% of wages paid with respect to the worker's  
2 employment with a governmental employer electing or required to  
3 pay contributions or nongovernmental employer, including a  
4 nonprofit organization which is an employer as defined under  
5 paragraph (6) of subsection (h) of R.S.43:21-19, regardless of  
6 whether that nonprofit organization elects or is required to finance  
7 its benefit costs with contributions to the fund or by payments in  
8 lieu of contributions, after that employer has satisfied the conditions  
9 set forth in subsection (h) of R.S.43:21-19 with respect to becoming  
10 an employer. No contributions, however, shall be made by the  
11 worker while the worker is covered by an approved private plan  
12 under the "Temporary Disability Benefits Law," P.L.1948, c.110  
13 (C.43:21-25 et al.) or while the worker is exempt under section 7 of  
14 P.L.1948, c.110 (C.43:21-31) or any other provision of that law;  
15 provided that the contributions shall be at the rate of 0.50% of  
16 wages paid with respect to employment with the State of New  
17 Jersey or any other governmental entity or instrumentality electing  
18 or required to make payments in lieu of contributions and which is  
19 covered by the State plan under the "Temporary Disability Benefits  
20 Law," except that, while the worker is exempt from the provisions  
21 of the "Temporary Disability Benefits Law" under section 7 of that  
22 law, P.L.1948, c.110 (C.43:21-31) or any other provision of that  
23 law, or is covered for disability benefits by an approved private plan  
24 of the employer, no contributions shall be made to the fund.

25 Each worker shall, starting on January 1, 1996 and ending March  
26 31, 1996, contribute to the unemployment compensation fund  
27 0.60% of wages paid with respect to the worker's employment with  
28 a governmental employer electing or required to pay contributions  
29 or nongovernmental employer, including a nonprofit organization  
30 which is an employer as defined under paragraph (6) of subsection  
31 (h) of R.S.43:21-19, regardless of whether that nonprofit  
32 organization elects or is required to finance its benefit costs with  
33 contributions to the fund or by payments in lieu of contributions,  
34 after that employer has satisfied the conditions set forth in  
35 subsection (h) of R.S.43:21-19 with respect to becoming an  
36 employer, provided that the contributions shall be at the rate of  
37 0.10% of wages paid with respect to employment with the State of  
38 New Jersey or any other governmental entity or instrumentality  
39 electing or required to make payments in lieu of contributions.

40 Each worker shall, starting on January 1, 1998 and ending  
41 December 31, 1998, contribute to the unemployment compensation  
42 fund 0.10% of wages paid with respect to the worker's employment  
43 with a governmental employer electing or required to pay  
44 contributions or nongovernmental employer, including a nonprofit  
45 organization which is an employer as defined under paragraph (6)  
46 of subsection (h) of R.S.43:21-19, regardless of whether that  
47 nonprofit organization elects or is required to finance its benefit  
48 costs with contributions to the fund or by payments in lieu of

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

7 Each worker shall, starting on January 1, 1999 until December  
8 31, 1999, contribute to the unemployment compensation fund  
9 0.15% of wages paid with respect to the worker's employment with  
10 a governmental employer electing or required to pay contributions  
11 or nongovernmental employer, including a nonprofit organization  
12 which is an employer as defined under paragraph (6) of subsection  
13 (h) of R.S.43:21-19, regardless of whether that nonprofit  
14 organization elects or is required to finance its benefit costs with  
15 contributions to the fund or by payments in lieu of contributions,  
16 after that employer has satisfied the conditions set forth in  
17 subsection (h) of R.S.43:21-19 with respect to becoming an  
18 employer, provided that the contributions shall be at the rate of  
19 0.10% of wages paid with respect to employment with the State of  
20 New Jersey or any other governmental entity or instrumentality  
21 electing or required to make payments in lieu of contributions.

22 Each worker shall, starting on January 1, 2000 until December  
23 31, 2001, contribute to the unemployment compensation fund  
24 0.20% of wages paid with respect to the worker's employment with  
25 a governmental employer electing or required to pay contributions  
26 or nongovernmental employer, including a nonprofit organization  
27 which is an employer as defined under paragraph (6) of subsection  
28 (h) of R.S.43:21-19, regardless of whether that nonprofit  
29 organization elects or is required to finance its benefit costs with  
30 contributions to the fund or by payments in lieu of contributions,  
31 after that employer has satisfied the conditions set forth in  
32 subsection (h) of R.S.43:21-19 with respect to becoming an  
33 employer, provided that the contributions shall be at the rate of  
34 0.10% of wages paid with respect to employment with the State of  
35 New Jersey or any other governmental entity or instrumentality  
36 electing or required to make payments in lieu of contributions.

37 Each worker shall, starting on January 1, 2002 until June 30,  
38 2004, contribute to the unemployment compensation fund 0.1825%  
39 of wages paid with respect to the worker's employment with a  
40 governmental employer electing or required to pay contributions or  
41 a nongovernmental employer, including a nonprofit organization  
42 which is an employer as defined under paragraph (6) of subsection  
43 (h) of R.S.43:21-19, regardless of whether that nonprofit  
44 organization elects or is required to finance its benefit costs with  
45 contributions to the fund or by payments in lieu of contributions,  
46 after that employer has satisfied the conditions set forth in  
47 subsection (h) of R.S.43:21-19 with respect to becoming an  
48 employer, provided that the contributions shall be at the rate of

1 0.0825% of wages paid with respect to employment with the State  
2 of New Jersey or any other governmental entity or instrumentality  
3 electing or required to make payments in lieu of contributions.

4 Each worker shall, starting on and after July 1, 2004, contribute  
5 to the unemployment compensation fund 0.3825% of wages paid  
6 with respect to the worker's employment with a governmental  
7 employer electing or required to pay contributions or  
8 nongovernmental employer, including a nonprofit organization  
9 which is an employer as defined under paragraph (6) of subsection  
10 (h) of R.S.43:21-19, regardless of whether that nonprofit  
11 organization elects or is required to finance its benefit costs with  
12 contributions to the fund or by payments in lieu of contributions,  
13 after that employer has satisfied the conditions set forth in  
14 subsection (h) of R.S.43:21-19 with respect to becoming an  
15 employer, provided that the contributions shall be at the rate of  
16 0.0825% of wages paid with respect to employment with the State  
17 of New Jersey or any other governmental entity or instrumentality  
18 electing or required to make payments in lieu of contributions.

19 (E) Each employer shall, notwithstanding any provision of law  
20 in this State to the contrary, withhold in trust the amount of his  
21 workers' contributions from their wages at the time such wages are  
22 paid, shall show such deduction on his payroll records, shall furnish  
23 such evidence thereof to his workers as the division or controller  
24 may prescribe, and shall transmit all such contributions, in addition  
25 to his own contributions, to the office of the controller in such  
26 manner and at such times as may be prescribed. If any employer  
27 fails to deduct the contributions of any of his workers at the time  
28 their wages are paid, or fails to make a deduction therefor at the  
29 time wages are paid for the next succeeding payroll period, he alone  
30 shall thereafter be liable for such contributions, and for the purpose  
31 of R.S.43:21-14, such contributions shall be treated as employer's  
32 contributions required from him.

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

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

47 (ii) Each worker shall contribute to the State disability benefits  
48 fund, in addition to any amount contributed pursuant to

1 subparagraph (i) of this paragraph (1)(G), an amount equal to,  
2 during calendar year 2009, 0.09%, and during calendar year 2010  
3 0.12%, of wages paid with respect to the worker's employment with  
4 any covered employer, including a governmental employer which is  
5 an employer as defined under R.S.43:21-19(h)(5), unless the  
6 employer is covered by an approved private disability plan for  
7 benefits during periods of family temporary disability leave. The  
8 contributions made pursuant to this subparagraph (ii) to the State  
9 disability benefits fund shall be deposited into an account of that  
10 fund reserved for the payment of benefits during periods of family  
11 temporary disability leave as defined in section 3 of the "Temporary  
12 Disability Benefits Law," P.L.1948, c.110 (C.43:21-27) and for the  
13 administration of those payments and shall not be used for any other  
14 purpose. This account shall be known as the "Family Temporary  
15 Disability Leave Account." For calendar year 2011 and each  
16 subsequent calendar year, the annual rate of contribution to be paid  
17 by workers pursuant to this subparagraph (ii) shall be the rate  
18 necessary to obtain a total amount of contributions equal to 125% of  
19 the benefits paid for periods of family temporary disability leave  
20 during the immediately preceding calendar year plus an amount  
21 equal to 100% of the cost of administration of the payment of those  
22 benefits during the immediately preceding calendar year, less the  
23 amount of net assets remaining in the account as of December 31  
24 of the immediately preceding year. Necessary administrative costs  
25 shall include the cost of an outreach program to inform employees  
26 of the availability of the benefits and the cost of issuing the reports  
27 required or permitted pursuant to section 13 of P.L.2008, c.17  
28 (C.43:21-39.4). No monies, other than the funds in the "Family  
29 Temporary Disability Leave Account," shall be used for the  
30 payment of benefits during periods of family temporary disability  
31 leave or for the administration of those payments, with the sole  
32 exception that, during calendar years 2008 and 2009, a total amount  
33 not exceeding \$25 million may be transferred to that account from  
34 the revenues received in the State disability benefits fund pursuant  
35 to subparagraph (i) of this paragraph (1)(G) and be expended for  
36 those payments and their administration, including the  
37 administration of the collection of contributions made pursuant to  
38 this subparagraph (ii) and any other necessary administrative costs.  
39 Any amount transferred to the account pursuant to this  
40 subparagraph (ii) shall be repaid during a period beginning not later  
41 than January 1, 2011 and ending not later than December 31, 2015.  
42 No monies, other than the funds in the "Family Temporary  
43 Disability Leave Account," shall be used under any circumstances  
44 after December 31, 2009, for the payment of benefits during periods  
45 of family temporary disability leave or for the administration of  
46 those payments, including for the administration of the collection of  
47 contributions made pursuant to this subparagraph (ii).

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



- 1 (B) (Deleted by amendment, P.L.1984, c.24.)  
2 (C) (Deleted by amendment, P.L.1994, c.112.)  
3 (D) (Deleted by amendment, P.L.1994, c.112.)  
4 (E) (i) (Deleted by amendment, P.L.1994, c.112.)  
5 (ii) (Deleted by amendment, P.L.1996, c.28.)  
6 (iii) (Deleted by amendment, P.L.1994, c.112.)  
7 (3) (A) If an employee receives wages from more than one  
8 employer during any calendar year, and either the sum of his  
9 contributions deposited in and credited to the State disability  
10 benefits fund plus the amount of his contributions, if any, required  
11 towards the costs of benefits under one or more approved private  
12 plans under the provisions of section 9 of the "Temporary Disability  
13 Benefits Law" (C.43:21-33) and deducted from his wages, or the  
14 sum of such latter contributions, if the employee is covered during  
15 such calendar year only by two or more private plans, exceeds an  
16 amount equal to 1/2 of 1% of the "wages" determined in accordance  
17 with the provisions of R.S.43:21-7(b)(3) during the calendar years  
18 beginning on or after January 1, 1976, the employee shall be  
19 entitled to a refund of the excess if he makes a claim to the  
20 controller within two years after the end of the calendar year in  
21 which the wages are received with respect to which the refund is  
22 claimed and establishes his right to such refund. Such refund shall  
23 be made by the controller from the State disability benefits fund.  
24 No interest shall be allowed or paid with respect to any such refund.  
25 The controller shall, in accordance with prescribed regulations,  
26 determine the portion of the aggregate amount of such refunds made  
27 during any calendar year which is applicable to private plans for  
28 which deductions were made under section 9 of the "Temporary  
29 Disability Benefits Law" (C.43:21-33) such determination to be  
30 based upon the ratio of the amount of such wages exempt from  
31 contributions to such fund, as provided in subparagraph (B) of  
32 paragraph (1) of this subsection with respect to coverage under  
33 private plans, to the total wages so exempt plus the amount of such  
34 wages subject to contributions to the disability benefits fund, as  
35 provided in subparagraph (G) of paragraph (1) of this subsection.  
36 The controller shall, in accordance with prescribed regulations,  
37 prorate the amount so determined among the applicable private  
38 plans in the proportion that the wages covered by each plan bear to  
39 the total private plan wages involved in such refunds, and shall  
40 assess against and recover from the employer, or the insurer if the  
41 insurer has indemnified the employer with respect thereto, the  
42 amount so prorated. The provisions of R.S.43:21-14 with respect to  
43 collection of employer contributions shall apply to such  
44 assessments. The amount so recovered by the controller shall be  
45 paid into the State disability benefits fund.  
46 (B) If an employee receives wages from more than one employer  
47 during any calendar year, and the sum of his contributions deposited  
48 in the "Family Temporary Disability Leave Account" of the State

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

43 (4) If an individual does not receive any wages from the  
44 employing unit which for the purposes of this chapter (R.S.43:21-1  
45 et [al.] seq.) is treated as his employer, or receives his wages from  
46 some other employing unit, such employer shall nevertheless be  
47 liable for such individual's contributions in the first instance; and  
48 after payment thereof such employer may deduct the amount of

1 such contributions from any sums payable by him to such  
2 employing unit, or may recover the amount of such contributions  
3 from such employing unit, or, in the absence of such an employing  
4 unit, from such individual, in a civil action; provided proceedings  
5 therefor are instituted within three months after the date on which  
6 such contributions are payable. General rules shall be prescribed  
7 whereby such an employing unit may recover the amount of such  
8 contributions from such individuals in the same manner as if it were  
9 the employer.

10 (5) Every employer who has elected to become an employer  
11 subject to this chapter (R.S.43:21-1 et [al.] seq.), or to cease to be  
12 an employer subject to this chapter (R.S.43:21-1 et [al.] seq.),  
13 pursuant to the provisions of R.S.43:21-8, shall post and maintain  
14 printed notices of such election on his premises, of such design, in  
15 such numbers, and at such places as the director may determine to  
16 be necessary to give notice thereof to persons in his service.

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

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

21 (1) Except as hereinafter provided, each employer shall, in  
22 addition to the contributions required by subsections (a), (b), and  
23 (c) of this section, contribute 1/2 of 1% of the wages paid by such  
24 employer to workers with respect to employment unless he is not a  
25 covered employer as defined in subsection (a) of section 3 of the  
26 "Temporary Disability Benefits Law" (C.43:21-27 (a)), except that  
27 the rate for the State of New Jersey shall be 1/10 of 1% for the  
28 calendar year 1980 and for the first six months of 1981. Prior to  
29 July 1, 1981 and prior to July 1 each year thereafter, the controller  
30 shall review the experience accumulated in the account of the State  
31 of New Jersey and establish a rate for the next following fiscal year  
32 which, in combination with worker contributions, will produce  
33 sufficient revenue to keep the account in balance; except that the  
34 rate so established shall not be less than 1/10 of 1%. Such  
35 contributions shall become due and be paid by the employer to the  
36 controller for the State disability benefits fund as established by  
37 law, in accordance with such regulations as may be prescribed, and  
38 shall not be deducted, in whole or in part, from the remuneration of  
39 individuals in his employ. In the payment of any contributions, a  
40 fractional part of a cent shall be disregarded unless it amounts to  
41 \$0.005 or more, in which case it shall be increased to \$0.01.

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

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

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

27 (C) The controller may prescribe regulations for the  
28 establishment, maintenance, and dissolution of joint accounts by  
29 two or more employers, and shall, in accordance with such  
30 regulations and upon application by two or more employers to  
31 establish such an account, or to merge their several individual  
32 accounts in a joint account, maintain such joint account as if it  
33 constituted a single employer's account.

34 (D) Prior to July 1 of each calendar year, the controller shall  
35 make a preliminary determination of the rate of contribution for the  
36 12 months commencing on such July 1 for each employer subject to  
37 the contribution requirements of this subsection (e).

38 (1) Such preliminary rate shall be 1/2 of 1% unless on the  
39 preceding January 31 of such year such employer shall have been a  
40 covered employer who has paid contributions to the State disability  
41 benefits fund with respect to employment in the three calendar  
42 years immediately preceding such year.

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

1 (i) 2/10 of 1% if such excess over \$500.00 exceeds 1% but is  
2 less than 1 1/4% of his average annual payroll as defined in this  
3 chapter (R.S.43:21-1 et [al.] seq.);

4 (ii) 15/100 of 1% if such excess over \$500.00 equals or exceeds  
5 1 1/4% but is less than 1 1/2% of his average annual payroll;

6 (iii) 1/10 of 1% if such excess over \$500.00 equals or exceeds 1  
7 1/2% of his average annual payroll.

8 (3) If the minimum requirements in subparagraph (D) (1) above  
9 have been fulfilled and the contributions credited exceed the  
10 benefits charged but by not more than \$500.00 plus 1% of his  
11 average annual payroll, or if the benefits charged exceed the  
12 contributions credited but by not more than \$500.00, the  
13 preliminary rate shall be 1/4 of 1%.

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

18 (i) 35/100 of 1% if such excess over \$500.00 is less than 1/4 of  
19 1% of his average annual payroll;

20 (ii) 45/100 of 1% if such excess over \$500.00 equals or exceeds  
21 1/4 of 1% but is less than 1/2 of 1% of his average annual payroll;

22 (iii) 55/100 of 1% if such excess over \$500.00 equals or exceeds  
23 1/2 of 1% but is less than 3/4 of 1% of his average annual payroll;

24 (iv) 65/100 of 1% if such excess over \$500.00 equals or exceeds  
25 3/4 of 1% but is less than 1% of his average annual payroll;

26 (v) 75/100 of 1% if such excess over \$500.00 equals or exceeds  
27 1% of his average annual payroll.

28 (5) Determination of the preliminary rate as specified in  
29 subparagraphs (D)(2), (3) and (4) above shall be subject, however,  
30 to the condition that it shall in no event be decreased by more than  
31 1/10 of 1% of wages or increased by more than 2/10 of 1% of  
32 wages from the preliminary rate determined for the preceding year  
33 in accordance with subparagraph (D) (1), (2), (3) or (4), whichever  
34 shall have been applicable.

35 (E) (1) Prior to July 1 of each calendar year the controller shall  
36 determine the amount of the State disability benefits fund as of  
37 December 31 of the preceding calendar year, increased by the  
38 contributions paid thereto during January of the current calendar  
39 year with respect to employment occurring in the preceding  
40 calendar year. If such amount exceeds the net amount withdrawn  
41 from the unemployment trust fund pursuant to section 23 of the  
42 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-47)  
43 plus the amount at the end of such preceding calendar year of the  
44 unemployment disability account as defined in section 22 of said  
45 law (C.43:21-46), such excess shall be expressed as a percentage of  
46 the wages on which contributions were paid to the State disability  
47 benefits fund on or before January 31 with respect to employment  
48 in the preceding calendar year.

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

5 (i) If the percentage determined in accordance with  
6 subparagraph (E)(1) of this **[subsection]** paragraph equals or  
7 exceeds 1 1/4%, the final employer rates shall be the preliminary  
8 rates determined as provided in subparagraph (D) hereof, except  
9 that if the employer's preliminary rate is determined as provided in  
10 subparagraph (D)(2) or subparagraph (D)(3) hereof, the final  
11 employer rate shall be the preliminary employer rate decreased by  
12 such percentage of excess taken to the nearest 5/100 of 1%, but in  
13 no case shall such final rate be less than 1/10 of 1%.

14 (ii) If the percentage determined in accordance with  
15 subparagraph (E)(1) of this subsection equals or exceeds 3/4 of 1%  
16 and is less than 1 1/4 of 1%, the final employer rates shall be the  
17 preliminary employer rates.

18 (iii) If the percentage determined in accordance with  
19 subparagraph (E)(1) of this **[subsection]** paragraph is less than 3/4  
20 of 1%, but in excess of 1/4 of 1%, the final employer rates shall be  
21 the preliminary employer rates determined as provided in  
22 subparagraph (D) hereof increased by the difference between 3/4 of  
23 1% and such percentage taken to the nearest 5/100 of 1%; provided,  
24 however, that no such final rate shall be more than 1/4 of 1% in the  
25 case of an employer whose preliminary rate is determined as  
26 provided in subparagraph (D)(2) hereof, more than 1/2 of 1% in the  
27 case of an employer whose preliminary rate is determined as  
28 provided in subparagraph (D)(1) and subparagraph (D)(3) hereof,  
29 nor more than 3/4 of 1% in the case of an employer whose  
30 preliminary rate is determined as provided in subparagraph (D)(4)  
31 hereof.

32 (iv) If the amount of the State disability benefits fund determined  
33 as provided in subparagraph (E)(1) of this **[subsection]** paragraph  
34 is equal to or less than 1/4 of 1%, then the final rate shall be 2/5 of  
35 1% in the case of an employer whose preliminary rate is determined  
36 as provided in subparagraph (D)(2) hereof, 7/10 of 1% in the case  
37 of an employer whose preliminary rate is determined as provided in  
38 subparagraph (D)(1) and subparagraph (D)(3) hereof, and 1.1% in  
39 the case of an employer whose preliminary rate is determined as  
40 provided in subparagraph (D)(4) hereof. Notwithstanding any other  
41 provision of law or any determination made by the controller with  
42 respect to any 12-month period commencing on July 1, 1970, the  
43 final rates for all employers for the period beginning January 1,  
44 1971, shall be as set forth herein.

45 (F) Notwithstanding any other provisions of this subsection (e),  
46 the rate of contribution paid to the State disability benefits fund by  
47 each covered employer as defined in paragraph (1) of subsection (a)

1 of section 3 of P.L.1948, c.110 (C.43:21-27), shall be determined as  
2 if:

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

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

8 (iii) No amounts were transferred from the State disability  
9 benefits funds to the "Family Temporary Disability Leave Account"  
10 pursuant to paragraph (1)(G)(ii) of subsection (d) of this section.

11 (cf: P.L. 2009, c.195 s.1)

12

13 '2. R.S.43:21-5 is amended to read as follows:

14 43:21-5. An individual shall be disqualified for benefits:

15 (a) For the week in which the individual has left work  
16 voluntarily without good cause attributable to such work, and for  
17 each week thereafter until the individual becomes reemployed and  
18 works **[four]** eight weeks in employment, which may include  
19 employment for the federal government, and has earned in  
20 employment at least **[six]** ten times the individual's weekly benefit  
21 rate, as determined in each case. This subsection shall apply to any  
22 individual seeking unemployment benefits on the basis of  
23 employment in the production and harvesting of agricultural crops,  
24 including any individual who was employed in the production and  
25 harvesting of agricultural crops on a contract basis and who has  
26 refused an offer of continuing work with that employer following  
27 the completion of the minimum period of work required to fulfill  
28 the contract.

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

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

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

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

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

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

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

41       (2) Notwithstanding any other provisions of this chapter, no  
42 work shall be deemed suitable and benefits shall not be denied  
43 under this chapter to any otherwise eligible individual for refusing  
44 to accept new work under any of the following conditions: the  
45 position offered is vacant due directly to a strike, lockout, or other  
46 labor dispute; the remuneration, hours, or other conditions of the  
47 work offered are substantially less favorable to the individual than  
48 those prevailing for similar work in the locality; or, the individual,



1 as a condition of being employed, would be required to join a  
2 company union or to resign from or refrain from joining any bona  
3 fide labor organization.

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

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

10 (a) The individual is not participating in or financing or directly  
11 interested in the labor dispute which caused the stoppage of work;  
12 and

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

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

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

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

41 (g) (1) For a period of one year from the date of the discovery  
42 by the division of the illegal receipt or attempted receipt of benefits  
43 contrary to the provisions of this chapter, as the result of any false  
44 or fraudulent representation; provided that any disqualification may  
45 be appealed in the same manner as any other disqualification  
46 imposed hereunder; and provided further that a conviction in the  
47 courts of this State arising out of the illegal receipt or attempted  
48 receipt of these benefits in any proceeding instituted against the

1 individual under the provisions of this chapter or any other law of  
2 this State shall be conclusive upon the appeals tribunal and the  
3 board of review.

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

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

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

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

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

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

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

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

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

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

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

24 (4) Medical documentation of the domestic violence;

25 (5) Certification from a certified Domestic Violence Specialist  
26 or the director of a designated domestic violence agency that the  
27 individual is a victim of domestic violence; or

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

32 For the purposes of this subsection (j):

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

44 (k) Notwithstanding any other provisions of this chapter (R.S.  
45 43:21-1 et seq.), no otherwise eligible individual shall be denied  
46 benefits for any week in which the individual left work voluntarily  
47 and without good cause attributable to the work, if the individual  
48 left work to accompany his or her spouse who is an active member

1 of the United States Armed Forces, as defined in N.J.S.38A:1-1(g),  
2 to a new place of residence outside the State, due to the armed  
3 forces member's transfer to a new assignment in a different  
4 geographical location outside the State, and the individual moves to  
5 the new place of residence not more than nine months after the  
6 spouse is transferred, and upon arrival at the new place of residence  
7 the individual was in all respects available for suitable work. No  
8 employer's account shall be charged for the payment of benefits to  
9 an individual who left work under the circumstances contained in  
10 this subsection (k), except that this shall not be construed as  
11 relieving the State of New Jersey and any other governmental entity  
12 or instrumentality or nonprofit organization electing or required to  
13 make payments in lieu of contributions from its responsibility to  
14 make all benefit payments otherwise required by law and from  
15 being charged for those benefits as otherwise required by law.<sup>1</sup>

16 (cf: P.L.2007, c.162, s.1)

17

18 3. (New section) a. There is created a task force to be known  
19 as the "New Jersey Unemployment Insurance Task Force," which  
20 shall be an independent body in, but not of, the Department of  
21 Labor and Workforce Development. The task force shall consist of  
22 12 members, including:

23 (1) Six non-voting members as follows: the Chairpersons of the  
24 Senate Labor committee and the Assembly Labor Committee, ex  
25 officio, a Senator nominated by the Minority Leader of the Senate, a  
26 member of the General Assembly nominated by the Minority  
27 Leader of the General Assembly, the Commissioner of Labor and  
28 Workforce Development, ex officio, an individual appointed by the  
29 Governor who has expertise in employment, unemployment and  
30 unemployment insurance programs; and

31 (2) Six voting members appointed by the Governor. Three  
32 members to be appointed by the Governor from the following  
33 organizations: the New Jersey State Chamber of Commerce, the  
34 New Jersey Business and Industry Association, the New Jersey  
35 branch of the National Federation of Independent Business, the  
36 New Jersey Food Council, the New Jersey Restaurant Association,  
37 or the New Jersey Commerce and Industry Association. Three  
38 members to be appointed by the Governor from the following  
39 organizations: the New Jersey State AFL-CIO, the New Jersey State  
40 Building Trades Council, the American Federation of State, County  
41 and Municipal Employees, the Mechanical and Allied Crafts  
42 Council of New Jersey, the New Jersey State Council of the Service  
43 Employees International Union, or the New Jersey Regional  
44 Council of Carpenters.

45 b. The task force shall have co-chairs who are elected by the  
46 voting members: one co-chair shall be from the New Jersey State  
47 Chamber of Commerce, the New Jersey Business and Industry  
48 Association, the New Jersey branch of the National Federation of

1 Independent Business, the New Jersey Food Council, the New  
2 Jersey Restaurant Association, or the New Jersey Commerce and  
3 Industry Association; and one co-chair shall be from the New Jersey  
4 State AFL-CIO, the New Jersey State Building Trades Council, the  
5 New Jersey State Council of the Service Employees International  
6 Union, the American Federation of State, County and Municipal  
7 Employees, the Mechanical and Allied Crafts Council of New  
8 Jersey, or the New Jersey Regional Council of Carpenters. Members  
9 shall be appointed as soon as practicable. Members shall be  
10 appointed for three-year terms and may be re-appointed for any  
11 number of terms. Any member of the task force who is not a  
12 legislator may be removed from office by the Governor, for cause,  
13 upon notice and opportunity to be heard. Vacancies shall be filled in  
14 the same manner as the original appointment for the balance of the  
15 unexpired term. A member shall continue to serve upon the  
16 expiration of his term until a successor is appointed and qualified,  
17 unless the member is removed by the Governor.

18 c. Action may be taken by the task force by an affirmative vote  
19 of a majority of its voting members. A majority of the voting  
20 members and a majority of the non-voting members of the task  
21 force shall constitute a quorum for the transaction of any business,  
22 for the performance of any duty, or for the exercise of any power of  
23 the task force.

24 d. Members of the task force shall serve without compensation,  
25 but may be reimbursed for the actual and necessary expenses  
26 incurred in the performance of their duties as members of the task  
27 force within the limits of funds appropriated or otherwise made  
28 available for that purpose.<sup>1</sup>

29  
30 <sup>1</sup>4. a. The task force shall study and assess the current  
31 unemployment insurance crisis and recommend how the State can  
32 stabilize the unemployment insurance fund. Specifically, the work  
33 of the task force shall include, but not necessarily be limited to, an  
34 evaluation of the following: eligibility standards; benefit levels;  
35 certain definitions, such as "suitable work;" the statutory matrix for  
36 payroll tax triggers; contributions and the experience rating table;  
37 collections of overpayments of unemployment; methods used in  
38 order to get individuals off unemployment insurance benefits; the  
39 statutory and regulatory framework for the treatment of misconduct;  
40 and other areas relevant to the short-term and long-term solvency of  
41 the unemployment insurance fund.

42 b. In furtherance of its evaluation, the task force may hold  
43 public meetings or hearings within the State on any matter or  
44 matters related to the provisions of this act, and call to its assistance  
45 and avail itself of the services of the Rutgers School of  
46 Management and Labor Relations, the John J. Heldrich Center for  
47 Workforce Development, and the employees of any State  
48 department, board, task force or agency which the task force

1 determines possesses relevant data, analytical and professional  
2 expertise or other resources which may assist the task force in  
3 discharging its duties under this act. Each department, board,  
4 commission or agency of this State is hereby directed, to the extent  
5 not inconsistent with law, to cooperate fully with the task force and  
6 to furnish such information and assistance as is necessary to  
7 accomplish the purposes of this act. The task force shall submit a  
8 written report of its findings regarding the subjects of its review and  
9 evaluation of the unemployment insurance program, including any  
10 recommendations of the task force regarding possible legislation or  
11 changes in administrative procedures based on its review and  
12 evaluation, to the Governor and to the Legislature by October 1,  
13 2010, and for three years thereafter, unless an extension is deemed  
14 necessary and appropriate by the Governor, who shall immediately  
15 review each task force report upon its receipt. The task force  
16 created under the provisions of this act shall expire upon the  
17 issuance of the task force final report issued by October 1, 2013.<sup>1</sup>

18

19 <sup>1</sup>5. Section 16 of P.L.1948, c.446 (C.34:1A-16) is hereby  
20 repealed.<sup>1</sup>

21

22 <sup>1</sup>[2.] 6.<sup>1</sup> This act shall take effect immediately.

23

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 Reduces employer unemployment taxes during fiscal year 2011.