

SENATE LABOR COMMITTEE

STATEMENT TO `

SENATE, No. 1968

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 27, 2010

The Senate Labor Committee reports favorably and with committee amendments Senate Bill No. 1968.

This bill, as amended by the committee, is designed to address certain abuses occurring in the unemployment insurance (UI) system which often result in the improper delaying or denial of UI benefits to laid off workers. By providing incentives for the expeditious handling of UI claims, the bill will increase the efficiency of the UI system, to the benefit of laid off workers and employers alike.

The bill provides for:

1. Waivers from repayment of claim overpayments for faultless claimants, including cases in which employers or their authorized agents fail to submit information required under the UI law and then appeal only after a benefit determination is made, some times delaying action for a full year or more after benefit payments commence. The waiver provided by the bill from the repayment of overpayments made to a faultless claimant would only apply to the overpayments which occur before it has been determined that there is an overpayment. The benefit level would, as under current law, be reduced for all benefits paid after the determination of overpayment.

2. An increase, to 20 days, of the amount of time for both employers and claimants to appeal determinations.

3. Registration and regulation of authorized agents, including agents representing employers, in UI claims.

The bill provides that failure of an authorized agent to correct repeated violations of the requirements of the bill and the current UI law after notification of the violations may lead to suspension and, if continued, will lead to revocation of the registration.

The amendments adopted by the committee:

1. Change the date from which authorized agents are required to register from June 30, 2011 to December 1, 2010; and

2. Clarify that an appeal of a determination may be made within 20 days after the date of the delivery of the notification of the initial determination or 20 days after the notice is mailed.