

# SENATE LABOR COMMITTEE

## STATEMENT TO

### SENATE, No. 3011

# STATE OF NEW JERSEY

DATED: OCTOBER 8, 2020

The Senate Labor Committee reports favorably Senate Bill, No. 3011.

This bill, for the period of the public health emergency declared by the Governor on March 9, 2020, and any subsequent extensions of the emergency, excludes the cost of unemployment benefits paid to employees of an employer during that period when calculating that employer's reserve ratio for the purposes of determining the rate of the employer's contributions to the unemployment trust fund.

The bill specifies that, regardless of the actual unemployment trust fund reserve ratio, unemployment contribution rates will be:

1. For fiscal year 2022, the rates set by column "C" of the Experience Rating Tax Table in R.S.32:21-7(c)(5)(E);

2. For fiscal year 2023, the rates set by column "D" of that table, unless calculations based on the actual fund reserve rate would result in the selection of a column with lower contribution rates, in which case the column with the lower contribution rates would apply; and

3. For fiscal year 2024, the rates set by column "E" of that table, unless calculations based on the actual fund reserve rate would result in the selection of a column with lower contribution rates, in which case the column with the lower contribution rates would apply.

The bill also exempts any nonprofit or governmental employer which elects to make payments in lieu of contributions from liability for payments in lieu of contributions with respect to 50 percent of unemployment benefits paid to employees laid off by the employer during that public health emergency and any extensions of it.