

ASSEMBLY, No. 361

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblyman HOLZAPFEL

1 AN ACT concerning workers' compensation fraud and supplementing
2 chapter 15 of Title 34 of the Revised Statutes.

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

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7 1. The division shall order immediate termination or denial of
8 benefits provided pursuant to this article with respect to any claim for
9 which the division determines that the claimant has willfully obtained
10 or attempted to obtain benefits by knowingly making, when making
11 that claim, a false statement or representation concerning any fact or
12 thing material to that claim for the purpose of obtaining those benefits
13 and the division may order, with respect to the claim, a forfeiture of
14 all rights of compensation or payments sought.

15 Notwithstanding any other provision of law, and in addition to any
16 other remedy available under law, if an employee has received benefits
17 pursuant to this article to which the employee is not entitled, the
18 employee is liable to repay that sum to the employer or the carrier or
19 have the sum deducted from future benefits payable to the employee,
20 and the division shall issue an order providing for the repayment or
21 deduction.

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23 2. This act shall take effect immediately.

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STATEMENT

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28 This bill requires the Division of Workers' Compensation to order
29 an immediate termination or denial of workers' compensation benefits
30 with respect to a claim if the division finds that the claimant has
31 willfully obtained or attempted to obtain benefits by knowingly
32 making, when making that claim, a false statement or representation
33 concerning any fact or thing material to that claim for the purpose of
34 obtaining those benefits. The division may order, with respect to the
35 claim, a forfeiture of all rights of compensation or payments sought.

1 The bill requires an employee who receives benefits to which the
2 employee is not entitled to repay the sum of the benefits to the
3 employer or have it deducted from future benefits, and requires the
4 division to issue an order providing for the repayment or deduction.

5 The bill requires the employee to repay or have deducted any
6 benefits wrongly paid, not just indemnity benefits.

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11 Concerns workers' compensation fraud.