

P.L. 1997, CHAPTER 255, *approved September 17, 1997*
Assembly Committee Substitute for
Assembly, No. 1971

1 **AN ACT** concerning employer contributions to the unemployment
2 compensation fund and amending R.S. 43:21-3, R.S.43:21-7, R.S.
3 43:21-14 and R.S. 43:21-16.

4

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

7

8 1. R.S.43:21-3 is amended to read as follows:
9 43:21-3. Benefits.

10 (a) Payment of benefits.

11 All benefits shall be promptly paid from the fund in accordance
12 with such regulations as may be prescribed hereunder.

13 (b) Weekly benefits for unemployment.

14 With respect to an individual's benefit year commencing on or after
15 July 1, 1961, such individual, if eligible and unemployed (as defined in
16 subsection (m) of R.S.43:21-19), shall be paid an amount (except as
17 to final payment) equal to his weekly benefit rate less any
18 remuneration, other than remuneration from self-employment paid to
19 an individual who is receiving a self-employment assistance allowance,
20 paid or payable to him for such week in excess of 20% of his weekly
21 benefit rate (fractional part of a dollar omitted) or \$5.00, whichever is
22 the greater; provided that such amount shall be computed to the next
23 lower multiple of \$1.00 if not already a multiple thereof.

24 (c) Weekly benefit rate.

25 (1) With respect to an individual whose benefit year commences
26 after September 30, 1984, his weekly benefit rate under each
27 determination shall be 60% of his average weekly wage, subject to a
28 maximum of $56 \frac{2}{3}$ % of the Statewide average weekly remuneration
29 paid to workers by employers subject to this chapter (R.S.43:21-1 et

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

Matter underlined thus is new matter.

1 seq.), as determined and promulgated by the Commissioner of Labor;
2 provided, however, that such individual's weekly benefit rate shall be
3 computed to the next lower multiple of \$1.00 if not already a multiple
4 thereof.

5 (2) Dependency benefits.

6 (A) With respect to an individual whose benefit year commences
7 after September 30, 1984, the individual's weekly benefit rate as
8 determined in paragraph (1) of this subsection (c) will be increased by
9 7% for the first dependent and 4% each for the next two dependents
10 (up to a maximum of three dependents), computed to the next lower
11 multiple of \$1.00 if not already a multiple thereof, except that the
12 maximum weekly benefit rate payable for an individual claiming
13 dependency benefits shall not exceed the maximum amount determined
14 under paragraph (1) of this subsection (c).

15 (B) For the purposes of this paragraph (2), a dependent is defined
16 as an individual's unemployed spouse or an unemployed unmarried
17 child (including a stepchild or a legally adopted child) under the age
18 of 19 or an unemployed unmarried child, who is attending an
19 educational institution as defined in subsection (y) of R.S.43:21-19 on
20 a full-time basis and is under the age of 22. If an individual's spouse
21 is employed during the week the individual files an initial claim for
22 benefits, this paragraph (2) shall not apply. If both spouses establish
23 a claim for benefits in accordance with the provisions of this chapter
24 (R.S. 43:21-1 et seq.), only one shall be entitled to dependency
25 benefits as provided in this paragraph (2).

26 (C) Any determination establishing dependency benefits under this
27 paragraph (2) shall remain fixed for the duration of the individual's
28 benefit year and shall not be increased or decreased unless it is
29 determined by the division that the individual wrongfully claimed
30 dependency benefits as a result of false or fraudulent representation.

31 (D) Notwithstanding the provisions of any other law, the division
32 shall use every available administrative means to insure that
33 dependency benefits are paid only to individuals who meet the
34 requirements of this paragraph (2). These administrative actions may
35 include, but shall not be limited to, the following:

36 (i) All married individuals claiming dependents under this
37 paragraph (2) shall be required to provide the social security number
38 of the individual's spouse. If the individual indicates that the spouse
39 is unemployed, the division shall match the social security number of
40 the spouse against available wage records to determine whether
41 earnings were reported on the last quarterly earnings report filed by
42 employers under R.S.43:21-14 of this chapter. If earnings were
43 reported, the division shall contact in writing the last employer to
44 determine whether the spouse is currently employed.

45 (ii) Where a child is claimed as a dependent by an individual under

1 this paragraph (2), the individual shall be required to provide to the
2 division the most recent federal income tax return filed by the
3 individual to assist the division in verifying the claim.

4 (3) For the purposes of this subsection (c), the "Statewide average
5 weekly remuneration paid to workers by employers" shall be computed
6 and determined by the Commissioner of Labor on or before September
7 1 of each year on the basis of one-fifty-second of the total
8 remuneration reported for the preceding calendar year by employers
9 subject to this chapter, divided by the average of the number of
10 workers reported by such employers, and shall be effective as to
11 benefit determinations in the calendar year following such computation
12 and determination.

13 (d) Maximum total benefits.

14 (1) (A) With respect to an individual to whom benefits shall be
15 payable for benefit years commencing on or after January 1, 1975 and
16 prior to July 1, 1986, as provided in this section, such individual shall
17 be entitled to receive, under each successive benefit determination
18 relating to each of his base year employers, a total amount of benefits
19 equal to three-quarters of his base weeks from the employer in
20 question multiplied by his weekly benefit rate; but the amount of
21 benefits thus resulting under any such determination made with respect
22 to any employer shall be adjusted to the next lower multiple of \$1.00
23 if not already a multiple thereof.

24 (B) (i) With respect to an individual for whom benefits shall be
25 payable for benefit years commencing on or after July 1, 1986, as
26 provided in this section, the individual shall be entitled to receive a
27 total amount of benefits equal to three-quarters of the individual's base
28 weeks with all employers in the base year multiplied by the individual's
29 weekly benefit rate; but the amount of benefits thus resulting under
30 that determination shall be adjusted to the next lower multiple of \$1.00
31 if not already a multiple thereof.

32 (ii) Except [that] as provided pursuant to paragraph (1) of
33 subsection (c) of R.S.43:21-7, benefits paid to an individual for benefit
34 years commencing on or after July 1, 1986 shall be charged against the
35 accounts of the individual's base year employers in the following
36 manner:

37 Each week of benefits paid to an eligible individual shall be
38 charged against each base year employer's account in the same
39 proportion that the wages paid by each employer to the individual
40 during the base year bear to the wages paid by all employers to that
41 individual during the base year.

42 (iii) [Wages earned during a base year, which had previously been
43 used to establish a benefit year commencing prior to July 1, 1986, may
44 also be used to establish benefit years commencing on or after July 1,
45 1986 but prior to October 1, 1987. No employer's account shall be

1 charged for any benefits payable based on base year wages which may
2 be used to establish entitlement under the provisions of this
3 subparagraph (iii).] (Deleted by amendment, P.L. , c. .)

4 (2) No such individual shall be entitled to receive benefits under
5 this chapter (R.S.43:21-1 et seq.) in excess of 26 times his weekly
6 benefit rate in any benefit year under either of subsections (c) and (f)
7 of section 43:21-4 of this chapter (R.S.43:21-1 et seq.). In the event
8 that any individual qualifies for benefits under both of said subsections
9 during any benefit year, the maximum total amount of benefits payable
10 under said subsections combined to such individual during the benefit
11 year shall be one and one-half times the maximum amount of benefits
12 payable under one of said subsections.

13 (3) (Deleted by amendment, P.L.1984, c.24.)

14 (cf: P.L.1995, c.394, s.6)

15

16 2. R.S.43:21-7 is amended to read as follows:

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

28 (a) Payment.

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

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

40 (b) Rate of contributions. Each employer shall pay the following
41 contributions:

42 (1) For the calendar year 1947, and each calendar year thereafter,
43 $2\frac{7}{10}\%$ of wages paid by him during each such calendar year, except
44 as otherwise prescribed by subsection (c) of this section.

45 (2) The "wages" of any individual, with respect to any one

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

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

37 (c) Future rates based on benefit experience.

38 (1) A separate account for each employer shall be maintained and
39 this shall be credited with all the contributions which he has paid on
40 his own behalf on or before January 31 of any calendar year with
41 respect to employment occurring in the preceding calendar year;
42 provided, however, that if January 31 of any calendar year falls on a
43 Saturday or Sunday, an employer's account shall be credited as of
44 January 31 of such calendar year with all the contributions which he
45 has paid on or before the next succeeding day which is not a Saturday

1 or Sunday. But nothing in this chapter (R.S.43:21-1 et seq.) shall be
2 construed to grant any employer or individuals in his service prior
3 claims or rights to the amounts paid by him into the fund either on his
4 own behalf or on behalf of such individuals. Benefits paid with respect
5 to benefit years commencing on and after January 1, 1953, to any
6 individual on or before December 31 of any calendar year with respect
7 to unemployment in such calendar year and in preceding calendar years
8 shall be charged against the account or accounts of the employer or
9 employers in whose employment such individual established base
10 weeks constituting the basis of such benefits, except that, with respect
11 to benefit years commencing after January 4, 1998, an employer's
12 account shall not be charged for benefits paid to a claimant if the
13 claimant's employment by that employer was ended in any way which,
14 pursuant to subsection (a), (b), (c), (f), (g) or (h) of R.S.43:21-5,
15 would have disqualified the claimant for benefits if the claimant had
16 applied for benefits at the time when that employment ended. Benefits
17 paid under a given benefit determination shall be charged against the
18 account of the employer to whom such determination relates. When
19 each benefit payment is made, either a copy of the benefit check or
20 other form of notification shall be promptly sent to the employer
21 against whose account the benefits are to be charged. Such copy or
22 notification shall identify the employer against whose account the
23 amount of such payment is being charged, shall show at least the name
24 and social security account number of the claimant and shall specify
25 the period of unemployment to which said check applies. If the total
26 amount of benefits paid to a claimant and charged to the account of
27 the appropriate employer exceeds 50% of the total base year, base
28 week wages paid to the claimant by that employer, then such employer
29 shall have canceled from his account such excess benefit charges as
30 specified above.

31 Each employer shall be furnished an annual summary statement of
32 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, or
37 to merge their several individual accounts in a joint account, maintain
38 such joint account as if it constituted a single employer's account.

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

44 (4) Employer Reserve Ratio. (A) Each employer's rate shall be 2
45 8/10%, except as otherwise provided in the following provisions. No

1 employer's rate for the 12 months commencing July 1 of any calendar
2 year shall be other than 2 8/10%, unless as of the preceding January 31
3 such employer shall have paid contributions with respect to wages paid
4 in each of the three calendar years immediately preceding such year,
5 in which case such employer's rate for the 12 months commencing July
6 1 of any calendar year shall be determined on the basis of his record up
7 to the beginning of such calendar year. If, at the beginning of such
8 calendar year, the total of all his contributions, paid on his own behalf,
9 for all past years exceeds the total benefits charged to his account for
10 all such 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 than
15 6%, of his average annual payroll;

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

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

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

22 (6) 1%, if such excess equals or exceeds 9%, but is less than 10%,
23 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 same
31 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 than
35 20%, of his average annual payroll;

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

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

43 (i) 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 that
45 period, or 5.4%, whichever is higher, and (ii) if the reserve balance in

1 its account is negative, its assigned rate shall be the highest rate in
2 effect for deficit accounts for that period.

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

7 (5) (A) Unemployment Trust Fund Reserve Ratio. If on March
8 31 of any calendar year the balance in the unemployment trust fund
9 equals or exceeds 4% but is less than 7% of the total taxable wages
10 reported to the controller as of that date in respect to employment
11 during the preceding calendar year, the contribution rate, effective July
12 1 following, of each employer eligible for a contribution rate
13 calculation based upon benefit experience, shall be increased by 3/10
14 of 1% over the contribution rate otherwise established under the
15 provisions of paragraph (3) or (4) of this subsection. If on March 31
16 of any calendar year the balance of the unemployment trust fund
17 exceeds 2 1/2% but is less than 4% of the total taxable wages reported
18 to the controller as of that date in respect to employment during the
19 preceding calendar year, the contribution rate, effective July 1
20 following, of each employer eligible for a contribution rate calculation
21 based upon benefit experience, shall be increased by 6/10 of 1% over
22 the contribution rate otherwise established under the provisions of
23 paragraph (3) or (4) of this subsection.

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

43 (B) If on March 31 of any calendar year the balance in the
44 unemployment trust fund equals or exceeds 10% but is less than 12
45 1/2% of the total taxable wages reported to the controller as of that

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

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

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

32 (E)(i) With respect to experience rating years beginning on or
33 after July 1, 1986 and before July 1, 1997, the new employer rate or
34 the unemployment experience rate of an employer under this section
35 shall be the rate which appears in the column headed by the
36 Unemployment Trust Fund Reserve Ratio as of the applicable
37 calculation date and on the line with the Employer Reserve Ratio, as
38 defined in paragraph 4 of this subsection (R.S.43:21-7 (c)(4)), as set
39 forth in the following table:

1 EXPERIENCE RATING TAX TABLE						
2 Fund Reserve Ratio ¹						
3						
4 10.00% 7.00% 4.00% 2.50% 2.49%						
5 Employer and to to to and						
6 Reserve Over 9.99% 6.99% 3.99% Under						
7 Ratio ² A B C D E						
8 Positive Reserve Ratio:						
9	17% and over	0.3	0.4	0.5	0.6	1.2
10	16.00% to 16.99%	0.4	0.5	0.6	0.6	1.2
11	15.00% to 15.99%	0.4	0.6	0.7	0.7	1.2
12	14.00% to 14.99%	0.5	0.6	0.7	0.8	1.2
13	13.00% to 13.99%	0.6	0.7	0.8	0.9	1.2
14	12.00% to 12.99%	0.6	0.8	0.9	1.0	1.2
15	11.00% to 11.99%	0.7	0.8	1.0	1.1	1.2
16	10.00% to 10.99%	0.9	1.1	1.3	1.5	1.6
17	9.00% to 9.99%	1.0	1.3	1.6	1.7	1.9
18	8.00% to 8.99%	1.3	1.6	1.9	2.1	2.3
19	7.00% to 7.99%	1.4	1.8	2.2	2.4	2.6
20	6.00% to 6.99%	1.7	2.1	2.5	2.8	3.0
21	5.00% to 5.99%	1.9	2.4	2.8	3.1	3.4
22	4.00% to 4.99%	2.0	2.6	3.1	3.4	3.7
23	3.00% to 3.99%	2.1	2.7	3.2	3.6	3.9
24	2.00% to 2.99%	2.2	2.8	3.3	3.7	4.0
25	1.00% to 1.99%	2.3	2.9	3.4	3.8	4.1
26	0.00% to 0.99%	2.4	3.0	3.6	4.0	4.3
27 Deficit Reserve Ratio:						
28	-0.00% to -2.99%	3.4	4.3	5.1	5.6	6.1
29	-3.00% to -5.99%	3.4	4.3	5.1	5.7	6.2
30	-6.00% to -8.99%	3.5	4.4	5.2	5.8	6.3
31	-9.00% to -11.99%	3.5	4.5	5.3	5.9	6.4
32	-12.00% to -14.99%	3.6	4.6	5.4	6.0	6.5
33	-15.00% to -19.99%	3.6	4.6	5.5	6.1	6.6
34	-20.00% to -24.99%	3.7	4.7	5.6	6.2	6.7
35	-25.00% to -29.99%	3.7	4.8	5.6	6.3	6.8
36	-30.00% to -34.99%	3.8	4.8	5.7	6.3	6.9
37	-35.00% and under	5.4	5.4	5.8	6.4	7.0
38	New Employer Rate	2.8	2.8	2.8	3.1	3.4
39	¹ Fund balance as of March 31 as a percentage of taxable wages in					
40	the prior calendar year.					
41	² Employer Reserve Ratio (Contributions minus benefits as a					
42	percentage of employer's taxable wages).					
43	(ii) With respect to experience rating years beginning on or after					
44	July 1, 1997, the new employer rate or the unemployment experience					
45	rate of an employer under this section shall be the rate which appears					

1 in the column headed by the Unemployment Trust Fund Reserve Ratio
 2 as of the applicable calculation date and on the line with the Employer
 3 Reserve Ratio, as defined in paragraph 4 of this subsection
 4 (R.S.43:21-7 (c)(4)), as set forth in the following table:

5 EXPERIENCE RATING TAX TABLE

6 Fund Reserve Ratio¹

	6.00%	4.00%	3.00%	2.50%	2.49%
Employer Reserve Ratio ²	and Over	to 5.99%	to 3.99%	to 2.99%	and Under
	A	B	C	D	E
12 Positive Reserve Ratio:					
13 17% and over	0.3	0.4	0.5	0.6	1.2
14 16.00% to 16.99%	0.4	0.5	0.6	0.6	1.2
15 15.00% to 15.99%	0.4	0.6	0.7	0.7	1.2
16 14.00% to 14.99%	0.5	0.6	0.7	0.8	1.2
17 13.00% to 13.99%	0.6	0.7	0.8	0.9	1.2
18 12.00% to 12.99%	0.6	0.8	0.9	1.0	1.2
19 11.00% to 11.99%	0.7	0.8	1.0	1.1	1.2
20 10.00% to 10.99%	0.9	1.1	1.3	1.5	1.6
21 9.00% to 9.99%	1.0	1.3	1.6	1.7	1.9
22 8.00% to 8.99%	1.3	1.6	1.9	2.1	2.3
23 7.00% to 7.99%	1.4	1.8	2.2	2.4	2.6
24 6.00% to 6.99%	1.7	2.1	2.5	2.8	3.0
25 5.00% to 5.99%	1.9	2.4	2.8	3.1	3.4
26 4.00% to 4.99%	2.0	2.6	3.1	3.4	3.7
27 3.00% to 3.99%	2.1	2.7	3.2	3.6	3.9
28 2.00% to 2.99%	2.2	2.8	3.3	3.7	4.0
29 1.00% to 1.99%	2.3	2.9	3.4	3.8	4.1
30 0.00% to 0.99%	2.4	3.0	3.6	4.0	4.3
31 Deficit Reserve Ratio:					
32 -0.00% to -2.99%	3.4	4.3	5.1	5.6	6.1
33 -3.00% to -5.99%	3.4	4.3	5.1	5.7	6.2
34 -6.00% to -8.99%	3.5	4.4	5.2	5.8	6.3
35 -9.00% to -11.99%	3.5	4.5	5.3	5.9	6.4
36 -12.00% to -14.99%	3.6	4.6	5.4	6.0	6.5
37 -15.00% to -19.99%	3.6	4.6	5.5	6.1	6.6
38 -20.00% to -24.99%	3.7	4.7	5.6	6.2	6.7
39 -25.00% to -29.99%	3.7	4.8	5.6	6.3	6.8
40 -30.00% to -34.99%	3.8	4.8	5.7	6.3	6.9
41 -35.00% and under	5.4	5.4	5.8	6.4	7.0
42 New Employer Rate	2.8	2.8	2.8	3.1	3.4

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

45 ²Employer Reserve Ratio (Contributions minus benefits as a

1 percentage of employer's taxable wages).

2 (F)(i) With respect to experience rating years beginning on or after
3 July 1, 1986 and before July 1, 1997, if the balance of the
4 unemployment trust fund as of the prior March 31 is negative, the
5 contribution rate for each employer liable to pay contributions, as
6 computed under subparagraph E of this paragraph (5), shall be
7 increased by a factor of 10% computed to the nearest multiple of
8 1/10% if not already a multiple thereof.

9 (ii) With respect to experience rating years beginning on or after
10 July 1, 1997, if the fund reserve ratio, based on the fund balance as of
11 the prior March 31, is less than 1.00%, the contribution rate for each
12 employer liable to pay contributions, as computed under subparagraph
13 E of this paragraph (5), shall be increased by a factor of 10%
14 computed to the nearest multiple of 1/10% if not already a multiple
15 thereof.

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

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

40 On or after January 1, 1994 until December 31, 1995, except as
41 provided pursuant to subparagraph (I) of this paragraph (5),
42 notwithstanding any other provisions of this paragraph (5), the
43 contribution rate for each employer liable to pay contributions, as
44 computed under subparagraph (E) of this paragraph (5), shall be
45 decreased by a factor of 36.0% computed to the nearest multiple of

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

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

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

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

1 If, upon calculating the unemployment compensation fund reserve
2 ratio pursuant to R.S.43:21-7(c)(5)(D) prior to March 31, 1997, the
3 controller finds that the fund reserve ratio has decreased to a level of
4 less than 3.00%, the Commissioner of Labor shall notify the State
5 Treasurer of this fact and of the dollar amount necessary to bring the
6 fund reserve ratio up to a level of 3.00%. The State Treasurer shall,
7 prior to March 31, 1997, transfer from the General Fund to the
8 unemployment compensation fund, revenues in the amount specified
9 by the commissioner and which, upon deposit in the unemployment
10 compensation fund, shall result, upon recalculation, in a fund reserve
11 ratio used to determine employer contributions beginning July 1, 1997,
12 of at least 3.00%.

13 If, upon calculating the unemployment compensation fund reserve
14 ratio pursuant to R.S.43:21-7(c)(5)(D) prior to March 31, 1998, the
15 controller finds that the fund reserve ratio has decreased to a level of
16 less than 3.00%, the Commissioner of Labor shall notify the State
17 Treasurer of this fact and of the dollar amount necessary to bring the
18 fund reserve ratio up to a level of 3.00%. The State Treasurer shall,
19 prior to March 31, 1998, transfer from the General Fund to the
20 unemployment compensation fund, revenues in the amount specified
21 by the commissioner and which, upon deposit in the unemployment
22 compensation fund, shall result, upon recalculation, in a fund reserve
23 ratio used to determine employer contributions beginning July 1, 1998
24 of at least 3.00%.

25 (6) Additional contributions.

26 Notwithstanding any other provision of law, any employer who has
27 been assigned a contribution rate pursuant to subsection (c) of this
28 section for the year commencing July 1, 1948, and for any year
29 commencing July 1 thereafter, may voluntarily make payment of
30 additional contributions, and upon such payment shall receive a
31 recomputation of the experience rate applicable to such employer,
32 including in the calculation the additional contribution so made. Any
33 such additional contribution shall be made during the 30-day period
34 following the date of the mailing to the employer of the notice of his
35 contribution rate as prescribed in this section, unless, for good cause,
36 the time for payment has been extended by the controller for not to
37 exceed an additional 60 days; provided that in no event may such
38 payments which are made later than 120 days after the beginning of
39 the year for which such rates are effective be considered in
40 determining the experience rate for the year in which the payment is
41 made. Any employer receiving any extended period of time within
42 which to make such additional payment and failing to make such
43 payment timely shall be, in addition to the required amount of
44 additional payment, a penalty of 5% thereof or \$5.00, whichever is
45 greater, not to exceed \$50.00. Any adjustment under this subsection

1 shall be made only in the form of credits against accrued or future
2 contributions.

3 (7) Transfers.

4 (A) Upon the transfer of the organization, trade or business, or
5 substantially all the assets of an employer to a successor in interest,
6 whether by merger, consolidation, sale, transfer, descent or otherwise,
7 the controller shall transfer the employment experience of the
8 predecessor employer to the successor in interest, including credit for
9 past years, contributions paid, annual payrolls, benefit charges, et
10 cetera, applicable to such predecessor employer, pursuant to
11 regulation, if it is determined that the employment experience of the
12 predecessor employer with respect to the organization, trade, assets
13 or business which has been transferred may be considered indicative
14 of the future employment experience of the successor in interest.
15 Unless the predecessor employer was owned or controlled (by legally
16 enforceable means or otherwise), directly or indirectly, by the
17 successor in interest, or the predecessor employer and the successor
18 in interest were owned or controlled (by legally enforceable means or
19 otherwise), directly or indirectly, by the same interest or interests, the
20 transfer of the employment experience of the predecessor shall not be
21 effective if such successor in interest, within four months of the date
22 of such transfer of the organization, trade, assets or business, or
23 thereafter upon good cause shown, files a written notice protesting the
24 transfer of the employment experience of the predecessor employer.

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

42 (C) A transfer of the employment experience in whole or in part
43 having become final, the predecessor employer thereafter shall not be
44 entitled to consideration for an adjusted rate based upon his or its
45 experience or the part thereof, as the case may be, which has thus been

1 transferred. A successor in interest to whom employment experience
2 or a part thereof is transferred pursuant to this subsection shall, as of
3 the date of the transfer of the organization, trade, assets or business,
4 or part thereof, immediately become an employer if not theretofore an
5 employer subject to this chapter (R.S.43:21-1 et seq.).

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

8 (1) (A) For periods after January 1, 1975, each worker shall
9 contribute to the fund 1% of his wages with respect to his employment
10 with an employer, which occurs on and after January 1, 1975, after
11 such employer has satisfied the condition set forth in subsection (h) of
12 R.S.43:21-19 with respect to becoming an employer; provided,
13 however, that such contributions shall be at the rate of 1/2 of 1% of
14 wages paid with respect to employment while the worker is in the
15 employ of the State of New Jersey, or any governmental entity or
16 instrumentality which is an employer as defined under
17 R.S.43:21-19(h)(5), or is covered by an approved private plan under
18 the "Temporary Disability Benefits Law" or while the worker is
19 exempt from the provisions of the "Temporary Disability Benefits
20 Law" under section 7 of that law, P.L.1948, c.110 (C.43:21-31).

21 (B) Effective January 1, 1978 there shall be no contributions by
22 workers in the employ of any governmental or nongovernmental
23 employer electing or required to make payments in lieu of
24 contributions unless the employer is covered by the State plan under
25 the "Temporary Disability Benefits Law" (C.43:21-37 et seq.), and in
26 that case contributions shall be at the rate of 1/2 of 1%, except that
27 commencing July 1, 1986, workers in the employ of any
28 nongovernmental employer electing or required to make payments in
29 lieu of contributions shall be required to make contributions to the
30 fund at the same rate prescribed for workers of other nongovernmental
31 employers.

32 (C) (i) Notwithstanding the above provisions of this paragraph
33 (1), during the period starting July 1, 1986 and ending December 31,
34 1992, each worker shall contribute to the fund 1.125% of wages paid
35 with respect to his employment with a governmental employer electing
36 or required to pay contributions or nongovernmental employer,
37 including a nonprofit organization which is an employer as defined
38 under R.S.43:21-19(h)(6), regardless of whether that nonprofit
39 organization elects or is required to finance its benefit costs with
40 contributions to the fund or by payments in lieu of contributions, after
41 that employer has satisfied the conditions set forth in subsection
42 R.S.43:21-19(h) with respect to becoming an employer.
43 Contributions, however, shall be at the rate of 0.625% while the
44 worker is covered by an approved private plan under the "Temporary
45 Disability Benefits Law" while the worker is exempt under section 7

1 of that law, P.L.1948, c.110 (C.43:21-31) or any other provision of
2 that law; provided that such contributions shall be at the rate of
3 0.625% of wages paid with respect to employment with the State of
4 New Jersey or any other governmental entity or instrumentality
5 electing or required to make payments in lieu of contributions and
6 which is covered by the State plan under the "Temporary Disability
7 Benefits Law," except that, while the worker is exempt from the
8 provisions of the "Temporary Disability Benefits Law" under section
9 7 of that law, P.L.1948, c.110 (C.43:21-31) or any other provision of
10 that law, or is covered for disability benefits by an approved private
11 plan of the employer, the contributions to the fund shall be 0.125%.

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

13 (D) Notwithstanding any other provisions of this paragraph (1),
14 during the period starting January 1, 1993 and ending June 30, 1994,
15 each worker shall contribute to the unemployment compensation fund
16 0.5% of wages paid with respect to the worker's employment with a
17 governmental employer electing or required to pay contributions or
18 nongovernmental employer, including a nonprofit organization which
19 is an employer as defined under paragraph (6) of subsection (h) of
20 R.S.43:21-19, regardless of whether that nonprofit organization elects
21 or is required to finance its benefit costs with contributions to the fund
22 or by payments in lieu of contributions, after that employer has
23 satisfied the conditions set forth in subsection (h) of R.S.43:21-19
24 with respect to becoming an employer. No contributions, however,
25 shall be made by the worker while the worker is covered by an
26 approved private plan under the "Temporary Disability Benefits Law,"
27 P.L.1948, c.110 (C.43:21-25 et seq.) or while the worker is exempt
28 under section 7 of P.L.1948, c.110 (C.43:21-31) or any other
29 provision of that law; provided that the contributions shall be at the
30 rate of 0.50% of wages paid with respect to employment with the
31 State of New Jersey or any other governmental entity or
32 instrumentality electing or required to make payments in lieu of
33 contributions and which is covered by the State plan under the
34 "Temporary Disability Benefits Law," except that, while the worker is
35 exempt from the provisions of the "Temporary Disability Benefits
36 Law" under section 7 of that law, P.L.1948, c.110 (C.43:21-31) or any
37 other provision of that law, or is covered for disability benefits by an
38 approved private plan of the employer, no contributions shall be made
39 to the fund.

40 Each worker shall, starting on January 1, 1996 and ending March
41 31, 1996, contribute to the unemployment compensation fund 0.60%
42 of wages paid with respect to the worker's employment with a
43 governmental employer electing or required to pay contributions or
44 nongovernmental employer, including a nonprofit organization which
45 is an employer as defined under paragraph (6) of subsection (h) of

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

10 Each worker shall, starting on January 1, 1998 contribute to the
11 unemployment compensation fund 0.40% of wages paid with respect
12 to the worker's employment with a governmental employer electing or
13 required to pay contributions or nongovernmental employer, including
14 a nonprofit organization which is an employer as defined under
15 paragraph (6) of subsection (h) of R.S.43:21-19, regardless of whether
16 that nonprofit organization elects or is required to finance its benefit
17 costs with contributions to the fund or by payments in lieu of
18 contributions, after that employer has satisfied the conditions set forth
19 in subsection (h) of R.S.43:21-19 with respect to becoming an
20 employer, provided that the contributions shall be at the rate of 0.10%
21 of wages paid with respect to employment with the State of New
22 Jersey or any other governmental entity or instrumentality electing or
23 required to make payments in lieu of contributions.

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

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

41 (G) Each worker shall, starting on July 1, 1994, contribute to the
42 State disability benefits fund an amount equal to 0.50% of wages paid
43 with respect to the worker's employment with a government employer
44 electing or required to pay contributions to the State disability benefits
45 fund or nongovernmental employer, including a nonprofit organization

1 which is an employer as defined under paragraph (6) of subsection (h)
2 of R.S.43:21-19, unless the employer is covered by an approved
3 private disability plan or is exempt from the provisions of the
4 "Temporary Disability Benefits Law," P.L.1948 c.110 (C.43:21-25 et
5 seq.) under section 7 of that law (C.43:21-31) or any other provision
6 of that law.

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

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

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

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

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

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

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

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

1 from the employer, or the insurer if the insurer has indemnified the
2 employer with respect thereto, the amount so prorated. The
3 provisions of R.S.43:21-14 with respect to collection of employer
4 contributions shall apply to such assessments. The amount so
5 recovered by the controller shall be paid into the State disability
6 benefits fund.

7 (4) If an individual does not receive any wages from the
8 employing unit which for the purposes of this chapter (R.S.43:21-1 et
9 seq.) is treated as his employer, or receives his wages from some other
10 employing unit, such employer shall nevertheless be liable for such
11 individual's contributions in the first instance; and after payment
12 thereof such employer may deduct the amount of such contributions
13 from any sums payable by him to such employing unit, or may recover
14 the amount of such contributions from such employing unit, or, in the
15 absence of such an employing unit, from such individual, in a civil
16 action; provided proceedings therefor are instituted within three
17 months after the date on which such contributions are payable. General
18 rules shall be prescribed whereby such an employing unit may recover
19 the amount of such contributions from such individuals in the same
20 manner as if it were the employer.

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

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

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

32 (1) Except as hereinafter provided, each employer shall, in
33 addition to the contributions required by subsections (a), (b), and (c)
34 of this section, contribute $\frac{1}{2}$ of 1% of the wages paid by such
35 employer to workers with respect to employment unless he is not a
36 covered employer as defined in section 3 of the "Temporary Disability
37 Benefits Law" (C.43:21-27 (a)), except that the rate for the State of
38 New Jersey shall be $\frac{1}{10}$ of 1% for the calendar year 1980 and for the
39 first six months of 1981. Prior to July 1, 1981 and prior to July 1 each
40 year thereafter, the controller shall review the experience accumulated
41 in the account of the State of New Jersey and establish a rate for the
42 next following fiscal year which, in combination with worker
43 contributions, will produce sufficient revenue to keep the account in
44 balance; except that the rate so established shall not be less than $\frac{1}{10}$
45 of 1%. Such contributions shall become due and be paid by the

1 employer to the controller for the State disability benefits fund as
2 established by law, in accordance with such regulations as may be
3 prescribed, and shall not be deducted, in whole or in part, from the
4 remuneration of individuals in his employ. In the payment of any
5 contributions, a fractional part of a cent shall be disregarded unless it
6 amounts to \$0.005 or more, in which case it shall be increased to
7 \$0.01.

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

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

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

38 (C) The controller may prescribe regulations for the establishment,
39 maintenance, and dissolution of joint accounts by two or more
40 employers, and shall, in accordance with such regulations and upon
41 application by two or more employers to establish such an account, or
42 to merge their several individual accounts in a joint account, maintain
43 such joint account as if it constituted a single employer's account.

44 (D) Prior to July 1 of each calendar year, the controller shall make
45 a preliminary determination of the rate of contribution for the 12

1 months commencing on such July 1 for each employer subject to the
2 contribution requirements of this subsection (e).

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

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

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

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

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

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

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

26 (i) $\frac{35}{100}$ of 1% if such excess over \$500.00 is less than $\frac{1}{4}$ of
27 1% of his average annual payroll;

28 (ii) $\frac{45}{100}$ of 1% if such excess over \$500.00 equals or exceeds
29 $\frac{1}{4}$ of 1% but is less than $\frac{1}{2}$ of 1% of his average annual payroll;

30 (iii) $\frac{55}{100}$ of 1% if such excess over \$500.00 equals or exceeds
31 $\frac{1}{2}$ of 1% but is less than $\frac{3}{4}$ of 1% of his average annual payroll;

32 (iv) $\frac{65}{100}$ of 1% if such excess over \$500.00 equals or exceeds
33 $\frac{3}{4}$ of 1% but is less than 1% of his average annual payroll;

34 (v) $\frac{75}{100}$ of 1% if such excess over \$500.00 equals or exceeds
35 1% of his average annual payroll.

36 (5) Determination of the preliminary rate as specified in (2), (3)
37 and (4) above shall be subject, however, to the condition that it shall
38 in no event be decreased by more than $\frac{1}{10}$ of 1% of wages or
39 increased by more than $\frac{2}{10}$ of 1% of wages from the preliminary rate
40 determined for the preceding year in accordance with (1), (2), (3) or
41 (4), whichever shall have been applicable.

42 (E) (1) Prior to July 1 of each calendar year the controller shall
43 determine the amount of the State disability benefits fund as of
44 December 31 of the preceding calendar year, increased by the
45 contributions paid thereto during January of the current calendar year

1 with respect to employment occurring in the preceding calendar year.
2 If such amount exceeds the net amount withdrawn from the
3 unemployment trust fund pursuant to section 23 of the "Temporary
4 Disability Benefits Law," P.L.1948, c.110 (C.43:21-47) plus the
5 amount at the end of such preceding calendar year of the
6 unemployment disability account (as defined in section 22 of said law
7 (C.43:21-46)), such excess shall be expressed as a percentage of the
8 wages on which contributions were paid to the State disability benefits
9 fund on or before January 31 with respect to employment in the
10 preceding calendar year.

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

15 (i) If the percentage determined in accordance with paragraph
16 (E)(1) of this subsection equals or exceeds 1 1/4%, the final employer
17 rates shall be the preliminary rates determined as provided in (D)
18 hereof, except that if the employer's preliminary rate is determined as
19 provided in (D)(2) or (D)(3) hereof, the final employer rate shall be
20 the preliminary employer rate decreased by such percentage of excess
21 taken to the nearest 5/100 of 1%, but in no case shall such final rate
22 be less than 1/10 of 1%.

23 (ii) If the percentage determined in accordance with paragraph
24 (E)(1) of this subsection equals or exceeds 3/4 of 1% and is less than
25 1 1/4 of 1%, the final employer rates shall be the preliminary employer
26 rates.

27 (iii) If the percentage determined in accordance with paragraph
28 (E)(1) of this subsection is less than 3/4 of 1%, but in excess of 1/4 of
29 1%, the final employer rates shall be the preliminary employer rates
30 determined as provided in (D) hereof increased by the difference
31 between 3/4 of 1% and such percentage taken to the nearest 5/100 of
32 1%; provided, however, that no such final rate shall be more than 1/4
33 of 1% in the case of an employer whose preliminary rate is determined
34 as provided in (D)(2) hereof, more than 1/2 of 1% in the case of an
35 employer whose preliminary rate is determined as provided in (D)(1)
36 and (D)(3) hereof, nor more than 3/4 of 1% in the case of an employer
37 whose preliminary rate is determined as provided in (D)(4) hereof.

38 (iv) If the amount of the State disability benefits fund determined
39 as provided in paragraph (E)(1) of this subsection is equal to or less
40 than 1/4 of 1%, then the final rate shall be 2/5 of 1% in the case of an
41 employer whose preliminary rate is determined as provided in (D)(2)
42 hereof, 7/10 of 1% in the case of an employer whose preliminary rate
43 is determined as provided in (D)(1) and (D)(3) hereof, and 1.1% in the
44 case of an employer whose preliminary rate is determined as provided
45 in (D)(4) hereof. Notwithstanding any other provision of law or any

1 determination made by the controller with respect to any 12-month
2 period commencing on July 1, 1970, the final rates for all employers
3 for the period beginning January 1, 1971, shall be as set forth herein.
4 (cf: P.L.1996, c.30, s.6)

5
6 3. R.S. 43:21-14 is amended to read as follows:

7 43:21-14. (a)(1) In addition to such reports as may be required
8 under the provisions of subsection (g) of R.S.43:21-11, every
9 employer shall file with the controller periodical contribution reports
10 on such forms and at such times as the controller shall prescribe, to
11 disclose the employer's liability for contributions under the provisions
12 of this chapter (R.S.43:21-1 et seq.), and at the time of filing each
13 contribution report shall pay the contributions required by this chapter
14 (R.S.43:21-1 et seq.), for the period covered by such report. The
15 controller may require that such reports shall be under oath of the
16 employer. Any employer who shall fail to file any report, required by
17 the controller, on or before the last day for the filing thereof shall pay
18 a penalty of \$5.00 for each day of delinquency until and including the
19 fifth day following such last day and for any period of delinquency
20 after such fifth day, a penalty of \$5.00 a day or 20% of the amount of
21 the contributions due and payable by the employer for the period
22 covered by the report, whichever is the lesser; if there be no liability
23 for contributions for the period covered by any contribution report or
24 in the case of any report other than a contribution report, the employer
25 or employing unit shall pay a penalty of \$5.00 a day for each day of
26 delinquency in filing or \$25.00, whichever is the lesser; provided,
27 however, that when it is shown to the satisfaction of the controller that
28 the failure to file any such report was not the result of fraud or an
29 intentional disregard of this chapter (R.S.43:21-1 et seq.), or the
30 regulations promulgated hereunder, the controller, in his discretion,
31 may remit or abate any unpaid penalties heretofore or hereafter
32 imposed under this section. On or before October 1 of each year, the
33 controller shall submit to the Commissioner of Labor a report covering
34 the 12-month period ending on the preceding June 30, and showing the
35 names and addresses of all employers for whom the controller remitted
36 or abated any penalties, or ratified any remission or abatement of
37 penalties, and the amount of such penalties with respect to each
38 employer. Any employer who shall fail to pay the contributions due for
39 any period, on or before the date they are required by the controller to
40 be paid, shall pay interest on the amount thereof from such date until
41 the date of payment thereof, at the rate of 1% a month through June
42 30, 1981 and at the rate of 1 1/4% a month after June 30, 1981. Upon
43 the written request of any employer or employing unit, filed with the
44 controller on or before the due date of any report or contribution
45 payment, the controller, for good cause shown, may grant, in writing,

1 an extension of time for the filing of such report or the paying of such
2 contribution, with interest at the applicable rate; provided no such
3 extension shall exceed 30 days and that no such extension shall
4 postpone payment of any contribution for any period beyond the day
5 preceding the last day for filing tax returns under Title IX of the
6 federal Social Security Act for the year in which said period occurs.

7 (2)(A) For the calendar quarter commencing July 1, 1984 and each
8 successive quarter thereafter, each employer shall file a report with the
9 controller within 30 days after the end of each quarter in a form and
10 manner prescribed by the controller, listing the name, social security
11 number and wages paid to each employee and the number of base
12 weeks (as defined in subsection (t) of R.S.43:21-19) worked by the
13 employee during the calendar quarter. (B) Any employer who fails
14 without reasonable cause to comply with the reporting requirements
15 of this paragraph (2) shall be liable for a penalty in the following
16 amount for each employee with respect to whom the employer is
17 required to file a report but who is not included in the report or for
18 whom the required information is not accurately reported for each
19 employee required to be included, whether or not the employee is
20 included:

21 (i) For the first failure for one quarter in any eight consecutive
22 quarters, \$5.00 for each employee;

23 (ii) For the second failure for any quarter in any eight consecutive
24 quarters, \$10.00 for each employee; and

25 (iii) For the third failure for any quarter in any eight consecutive
26 quarters, and for any failure in any eight consecutive quarters, which
27 failure is subsequent to the third failure, \$25.00 for each employee.

28 (C) Information reported by employers as requested by this
29 paragraph (2) shall be used by the Department of Labor for the
30 purpose of determining eligibility for benefits of individuals in
31 accordance with the provisions of R.S.43:21-1 et seq.
32 Notwithstanding the provisions of subsection (g) of R.S.43:21-11, the
33 Department of Labor is hereby authorized to provide the Department
34 of Human Services and the Higher Education Assistance Authority
35 with information reported by employers as required by this paragraph
36 (2). For each fiscal year, the Director of the Division of Budget and
37 Accounting of the Department of the Treasury shall charge the
38 appropriate account of the Department of Human Services and the
39 Higher Education Assistance Authority in amounts sufficient to
40 reimburse the Department of Labor for the cost of providing
41 information under this subparagraph (C).

42 (D) For the purpose of administering the provisions of this
43 paragraph (2), all appropriations, files, books, papers, records,
44 equipment and other property, and employees currently assigned to the
45 Division of Taxation for the implementation of the "Wage Reporting

1 Act," P.L.1980, c.48 (C.54:1-55 et seq.), shall be transferred to the
2 Department of Labor as of September 1, 1984 in accordance with the
3 provisions of the "State Agency Transfer Act," P.L.1971, c.375
4 (C.52:14D-1 et seq.).

5 (b) The contributions, penalties, and interest due from any
6 employer under the provisions of this chapter (R.S.43:21-1 et seq.),
7 from the time they shall be due, shall be a personal debt of the
8 employer to the State of New Jersey, recoverable in any court of
9 competent jurisdiction in a civil action in the name of the State of New
10 Jersey; provided, however, that except in the event of fraud, no
11 employer shall be liable for contributions or penalties unless
12 contribution reports have been filed or assessments have been made in
13 accordance with subsection (c) or (d) of this section before four years
14 have elapsed from the last day of the calendar year with respect to
15 which any contributions become payable under this chapter
16 (R.S.43:21-1 et seq.), nor shall any employer be required to pay
17 interest on any such contribution unless contribution reports were filed
18 or assessments made within such four-year period; provided further
19 that if such contribution reports were filed or assessments made within
20 the four-year period, no civil action shall be instituted, nor shall any
21 certificate be issued to the Clerk of the Superior Court under
22 subsection (e) of this section, except in the event of fraud, after six
23 years have elapsed from the last day of the calendar year with respect
24 to which any contributions become payable under this chapter
25 (R.S.43:21-1 et seq.), or July 1, 1958, whichever is later. Payments
26 received from an employer on account of any debt incurred under the
27 provisions of this chapter (R.S.43:21-1 et seq.) may be applied by the
28 controller on account of the contribution liability of the employer and
29 then to interest and penalties, and any balance remaining shall be
30 recoverable by the controller from the employer. Upon application
31 therefor, the controller shall furnish interested persons and entities
32 certificates of indebtedness covering employers, employing units and
33 others for contributions, penalties and interest, for each of which
34 certificates the controller shall charge and collect a fee of \$2.00 per
35 name; no such certificate to be issued, however, for a fee of less than
36 \$10.00. All fees so collected shall be paid into the unemployment
37 compensation administration fund.

38 (c) If any employer shall fail to make any report as required by the
39 rules and regulations of the division pursuant to the provisions of this
40 chapter (R.S.43:21-1 et seq.), the controller may make an estimate of
41 the liability of such employer from any information it may obtain, and,
42 according to such estimate so made, assess such employer for the
43 contributions, penalties, and interest due the State from him, give
44 notice of such assessment to the employer, and make demand upon
45 him for payment.

1 (d) After a report is filed under the provisions of this chapter
2 (R.S.43:21-1 et seq.) and the rules and regulations thereof, the
3 controller shall cause the report to be examined and shall make such
4 further audit and investigation as it may deem necessary, and if
5 therefrom there shall be determined that there is a deficiency with
6 respect to the payment of the contributions due from such employer,
7 the controller shall assess the additional contributions, penalties, and
8 interest due the State from such employer, give notice of such
9 assessment to the employer, and make demand upon him for payment.

10 (e) As an additional remedy, the controller may issue to the Clerk
11 of the Superior Court of New Jersey a certificate stating the amount
12 of the employer's indebtedness under this chapter (R.S.43:21-1 et seq.)
13 and describing the liability, and thereupon the clerk shall immediately
14 enter upon his record of docketed judgments such certificate or an
15 abstract thereof and duly index the same. Any such certificate or
16 abstract, heretofore or hereafter docketed, from the time of docketing
17 shall have the same force and effect as a judgment obtained in the
18 Superior Court of New Jersey, and the controller shall have all the
19 remedies and may take all the proceedings for the collection thereof
20 which may be had or taken upon the recovery of such a judgment in a
21 civil action upon contract in said court. Such debt, from the time of
22 docketing thereof, shall be a lien on and bind the lands, tenements and
23 hereditaments of the debtor.

24 The Clerk of the Superior Court shall be entitled to receive for
25 docketing such certificate, \$0.50, and for a certified transcript of such
26 docket, \$0.50. If the amount set forth in said certificate as a debt shall
27 be modified or reversed upon review, as hereinafter provided, the
28 Clerk of the Superior Court shall, when an order of modification or
29 reversal is filed, enter in the margin of the docket opposite the entry
30 of the judgment, the word "modified" or "reversed," as the case may
31 be, and the date of such modification or reversal.

32 The employer, or any other party having an interest in the property
33 upon which the debt is a lien, may deposit the amount claimed in the
34 certificate with the Clerk of the Superior Court of New Jersey,
35 together with an additional 10% of the amount thereof, or \$100.00,
36 whichever amount is the greater, to cover interest and the costs of
37 court, or in lieu of depositing the amount in cash, may give a bond to
38 the State of New Jersey in double the amount claimed in the
39 certificate, and file the same with the Clerk of the Superior Court. Said
40 bond shall have such surety and shall be approved in the manner
41 required by the Rules Governing the Courts of the State of New
42 Jersey.

43 After the deposit of said money or the filing of said bond, the
44 employer, or any other party having an interest in the said property,
45 may, after exhausting all administrative remedies, secure judicial

1 review of the legality or validity of the indebtedness or the amount
2 thereof, and the said deposit of cash shall be as security for, and the
3 bond shall be conditioned to prosecute, the judicial review with effect.

4 Upon the deposit of said money or the filing of the said bond with
5 the Clerk of the Superior Court, all proceedings on such judgment
6 shall be stayed until the final determination of the cause, and the
7 moneys so deposited shall be subject to the lien of the indebtedness
8 and costs and interest thereon, and the lands, tenements, and
9 hereditaments of said debtor shall forthwith be discharged from the
10 lien of the State of New Jersey and no execution shall issue against the
11 same by virtue of said judgment.

12 Notwithstanding the provisions of subsections (a) through (c) of
13 this section, the Department of Labor may, with the concurrence of the
14 State Treasurer, when all reasonable efforts to collect amounts owed
15 have been exhausted, or to avoid litigation, reduce any liability for
16 contributions, penalties and interest, provided no portion of those
17 amounts represents contributions made by an employee pursuant to
18 subsection (d) of R.S.43:21-7.

19 (f) If, not later than two years after the calendar year in which any
20 moneys were erroneously paid to or collected by the controller,
21 whether such payments were voluntarily or involuntarily made or made
22 under mistake of law or of fact, an employer, employing unit, or
23 employee who has paid such moneys shall make application for an
24 adjustment thereof, the said moneys shall, upon order of the controller,
25 be either credited or refunded, without interest, from the appropriate
26 fund. For like cause and within the same period, credit or refund may
27 be so made on the initiative of the controller.

28 (g) All interest and penalties collected pursuant to this section
29 shall be paid into a special fund to be known as the unemployment
30 compensation auxiliary fund; all moneys in this special fund shall be
31 deposited, administered and disbursed in the same manner and under
32 the same conditions and requirements as is provided by law for other
33 special funds in the State Treasury, and shall be expended, under
34 legislative appropriation, for the purpose of aiding in defraying the
35 cost of the administration of this chapter (R.S.43:21-1 et seq.); for the
36 repayment of any interest bearing advances made from the federal
37 unemployment account pursuant to the provisions of section 1202(b)
38 of the Social Security Act, 42 U.S.C. 1322; and for essential and
39 necessary expenditures in connection with programs designed to
40 stimulate employment, as determined by the Commissioner of Labor,
41 except that any moneys in this special fund [which are not otherwise
42 appropriated] shall be first applied to aiding in the defraying of
43 necessary costs of the administration of this chapter (R.S.43:21-1 et
44 seq.) as determined by the Commissioner of Labor. The Treasurer of
45 the State shall be ex officio the treasurer and custodian of this special

1 fund and, subject to legislative appropriation, shall administer the fund
2 in accordance with the directions of the controller. Any balances in
3 this fund shall not lapse at any time, but shall be continuously
4 available, subject to legislative appropriation, to the controller for
5 expenditure. The State Treasurer shall give a separate and additional
6 bond conditioned upon the faithful performance of his duties in
7 connection with the unemployment compensation auxiliary fund, in an
8 amount to be fixed by the division, the premiums for such bond to be
9 paid from the moneys in the said special fund.

10 (cf: P.L.1995, c.234, s.2)

11

12 4. R.S.43:21-16 is amended to read as follows:

13 43:21-16. (a) Whoever makes a false statement or representation,
14 knowing it to be false, or knowingly fails to disclose a material fact,
15 to obtain or increase or attempts to obtain or increase any benefit or
16 other payment under this chapter (R.S.43:21-1 et seq.), or under an
17 employment security law of any other state or of the federal
18 government, either for himself or for any other person, shall be liable
19 to a fine of \$20.00 for each offense, or 25% of the amount
20 fraudulently obtained, whichever is greater, to be recovered in an
21 action at law in the name of the Division of Unemployment and
22 Temporary Disability Insurance of the Department of Labor of the
23 State of New Jersey or as provided in subsection (e) of R.S.43:21-14,
24 said fine when recovered to be paid to the unemployment
25 compensation auxiliary fund for the use of said fund; and each such
26 false statement or representation or failure to disclose a material fact
27 shall constitute a separate offense. Any penalties imposed by this
28 subsection shall be in addition to those otherwise prescribed in this
29 chapter (R.S.43:21-1 et seq.).

30 (b) (1) An employing unit or any officer or agent of an employing
31 unit or any other person who makes a false statement or
32 representation, knowing it to be false, or who knowingly fails to
33 disclose a material fact, to prevent or reduce the payment of benefits
34 to any individual entitled thereto or to avoid becoming or remaining
35 subject hereto or to avoid or reduce any contribution or other payment
36 required from an employing unit under this chapter (R.S.43:21-1 et
37 seq.), or under an employment security law of any other state or of the
38 federal government, or who willfully fails or refuses to furnish any
39 reports required hereunder (except for such reports as may be required
40 under subsection (b) of R.S.43:21-6) or to produce or permit the
41 inspection or copying of records, as required hereunder, shall be liable
42 to a fine of \$100.00, to be recovered in an action at law in the name
43 of the Division of Unemployment and Temporary Disability Insurance
44 of the Department of Labor of the State of New Jersey or as provided
45 in subsection (e) of R.S.43:21-14, said fine when recovered to be paid

1 to the unemployment compensation auxiliary fund for the use of said
2 fund; and each such false statement or representation or failure to
3 disclose a material fact, and each day of such failure or refusal shall
4 constitute a separate offense. Any penalties imposed by this paragraph
5 shall be in addition to those otherwise prescribed in this chapter
6 (R.S.43:21-1 et seq.).

7 (2) Any employing unit or any officer or agent of an employing
8 unit or any other person who fails to submit any report required under
9 subsection (b) of R.S.43:21-6 shall be subject to a penalty of \$25.00
10 for the first report not submitted within 10 days after the mailing of a
11 request for such report, and an additional \$25.00 penalty may be
12 assessed for the next 10-day period, which may elapse after the end of
13 the initial 10-day period and before the report is filed; provided that
14 when such report or reports are not filed within the prescribed time
15 but it is shown to the satisfaction of the director that the failure was
16 due to a reasonable cause, no such penalty shall be imposed. Any
17 penalties imposed by this paragraph shall be recovered as provided in
18 subsection (e) of R.S.43:21-14, and when recovered shall be paid to
19 the unemployment compensation auxiliary fund for the use of said
20 fund.

21 (c) Any person who shall willfully violate any provision of this
22 chapter (R.S.43:21-1 et seq.) or any rule or regulation thereunder, the
23 violation of which is made unlawful or the observance of which is
24 required under the terms of this chapter (R.S.43:21-1 et seq.), and for
25 which a penalty is neither prescribed herein nor provided by any other
26 applicable statute, shall be liable to a fine of \$50.00, to be recovered
27 in an action at law in the name of the Division of Unemployment and
28 Temporary Disability Insurance of the Department of Labor of the
29 State of New Jersey or as provided in subsection (e) of R.S.43:21-14,
30 said fine when recovered to be paid to the unemployment
31 compensation auxiliary fund for the use of said fund; and each day
32 such violation continues shall be deemed to be a separate offense.

33 (d) (1) When it is determined by a representative or
34 representatives designated by the Director of the Division of
35 Unemployment and Temporary Disability Insurance of the Department
36 of Labor of the State of New Jersey that any person, whether (i) by
37 reason of the nondisclosure or misrepresentation by him or by another
38 of a material fact (whether or not such nondisclosure or
39 misrepresentation was known or fraudulent), or (ii) for any other
40 reason, has received any sum as benefits under this chapter
41 (R.S.43:21-1 et seq.) while any conditions for the receipt of benefits
42 imposed by this chapter (R.S.43:21-1 et seq.) were not fulfilled in his
43 case, or while he was disqualified from receiving benefits, or while
44 otherwise not entitled to receive such sum as benefits, such person,
45 unless the director (with the concurrence of the controller) directs

1 otherwise by regulation, shall be liable to repay those benefits in full.
2 The sum shall be deducted from any future benefits payable to the
3 individual under this chapter (R.S.43:21-1 et seq.) or shall be paid by
4 the individual to the division for the unemployment compensation
5 fund, and such sum shall be collectible in the manner provided for by
6 law, including, but not limited to, the filing of a certificate of debt with
7 the Clerk of the Superior Court of New Jersey; provided, however,
8 that, except in the event of fraud, no person shall be liable for any such
9 refunds or deductions against future benefits unless so notified before
10 four years have elapsed from the time the benefits in question were
11 paid. Such person shall be promptly notified of the determination and
12 the reasons therefor. Unless such person, within seven calendar days
13 after the delivery of such determination, or within 10 calendar days
14 after such notification was mailed to his last-known address, files an
15 appeal from such determination, such determination shall be final.

16 (2) Interstate and cross-offset of state and federal unemployment
17 benefits. To the extent permissible under the laws and Constitution of
18 the United States, the commissioner is authorized to enter into or
19 cooperate in arrangements or reciprocal agreements with appropriate
20 and duly authorized agencies of other states or the United States
21 Secretary of Labor, or both, whereby:

22 (A) Overpayments of unemployment benefits as determined under
23 subsection (d) of R.S.43:21-16 shall be recovered by offset from
24 unemployment benefits otherwise payable under the unemployment
25 compensation law of another state, and overpayments of
26 unemployment benefits as determined under the unemployment
27 compensation law of another state shall be recovered by offset from
28 unemployment benefits otherwise payable under R.S.43:21-1 et seq.;
29 and

30 (B) Overpayments of unemployment benefits as determined under
31 applicable federal law, with respect to benefits or allowances for
32 unemployment provided under a federal program administered by this
33 State under an agreement with the United States Secretary of Labor,
34 shall be recovered by offset from unemployment benefits otherwise
35 payable under R.S.43:21-1 et seq., or any federal program
36 administered by this State, or under the unemployment compensation
37 law of another state or any federal unemployment benefit or allowance
38 program administered by another state under an agreement with the
39 United States Secretary of Labor, if the other state has in effect a
40 reciprocal agreement with the United States Secretary of Labor as
41 authorized by subsection (g) of 42 U.S.C.s.503, and if the United
42 States agrees, as provided in the reciprocal agreement with this State
43 entered into under subsection (g) of 42 U.S.C.s.503, that
44 overpayments of unemployment benefits as determined under
45 subsection (d) of R.S.43:21-16 and overpayments as determined under

1 the unemployment compensation law of another state which has in
2 effect a reciprocal agreement with the United States Secretary of
3 Labor as authorized by subsection (g) of 42 U.S.C.s.503, shall be
4 recovered by offset from benefits or allowances otherwise payable
5 under a federal program administered by this State or another state
6 under an agreement with the United States Secretary of Labor.

7 (e) Any employing unit, or any officer or agent of an employing
8 unit, which officer or agent is directly or indirectly responsible for
9 collecting, truthfully accounting for, remitting when payable any
10 contribution, or filing or causing to be filed any report or statement
11 required by this chapter, or employer, or person failing to remit, when
12 payable, any employer contributions, or worker contributions (if
13 withheld or deducted), or the amount of such worker contributions (if
14 not withheld or deducted), or filing or causing to be filed with the
15 controller or the Division of Unemployment and Temporary Disability
16 Insurance of the Department of Labor of the State of New Jersey, any
17 false or fraudulent report or statement, and any person who aids or
18 abets an employing unit, employer, or any person in the preparation or
19 filing of any false or fraudulent report or statement with intent to
20 defraud the State of New Jersey or an employment security agency of
21 any other state or of the federal government, or with intent to evade
22 the payment of any contributions, interest or penalties, or any part
23 thereof, which shall be due under the provisions of this chapter
24 (R.S.43:21-1 et seq.), shall be liable for each offense upon conviction
25 before any Superior Court or municipal court, to a fine not to exceed
26 \$1,000.00 or by imprisonment for a term not to exceed 90 days, or
27 both, at the discretion of the court. The fine upon conviction shall be
28 payable to the unemployment compensation auxiliary fund. Any
29 penalties imposed by this subsection shall be in addition to those
30 otherwise prescribed in this chapter (R.S.43:21-1 et seq.).

31 (f) Any employing unit or any officer or agent of an employing
32 unit or any other person who aids and abets any person to obtain any
33 sum of benefits under this chapter to which he is not entitled, or a
34 larger amount as benefits than that to which he is justly entitled, shall
35 be liable for each offense upon conviction before any Superior Court
36 or municipal court, to a fine not to exceed \$1,000.00 or by
37 imprisonment for a term not to exceed 90 days, or both, at the
38 discretion of the court. The fine upon conviction shall be payable to
39 the unemployment compensation auxiliary fund. Any penalties
40 imposed by this subsection shall be in addition to those otherwise
41 prescribed in this chapter (R.S.43:21-1 et seq.).

42 (g) There shall be created in the Division of Unemployment and
43 Temporary Disability Insurance of the Department of Labor of the
44 State of New Jersey an investigative staff for the purpose of
45 investigating violations referred to in this section and enforcing the

1 provisions thereof.

2 (h) An employing unit or any officer or agent of an employing unit
3 who makes a false statement or representation, knowing it to be false,
4 or who knowingly fails to disclose a material fact, to reduce benefit
5 charges to the employing unit pursuant to paragraph (1) of subsection
6 (c) of R.S.43:21-7, shall be liable to a fine of \$1,000, to be recovered
7 in an action at law in the name of the Division of Unemployment and
8 Temporary Disability Insurance of the Department of Labor of the
9 State of New Jersey or as provided in subsection (e) of R.S.43:21-14.
10 The fine when recovered shall be paid to the unemployment
11 compensation auxiliary fund for the use of the fund. Each false
12 statement or representation or failure to disclose a material fact, and
13 each day of that failure or refusal shall constitute a separate offense.
14 Any penalties imposed by this subsection shall be in addition to those
15 otherwise prescribed in R.S.43:21-1 et seq.

16 (cf: P.L.1991, c.357, s.1)

17

18 5. This act shall take effect immediately.

19

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21

22

23 Eliminates charges against UI accounts of employers who do not lay
24 off claimants.