

[First Reprint]  
SENATE, No. 986

STATE OF NEW JERSEY

INTRODUCED MARCH 18, 1996

By Senators LaROSSA, INVERSO, Littell, Sinagra, Bennett,  
Bubba, Bassano, Palaia, Cafiero, Kosco, Gormley, Scott, Ciesla,  
Kyrillos and Matheussen

1 AN ACT concerning unemployment insurance benefits and <sup>1</sup>[revising  
2 various parts of the statutory law] supplementing chapter 21 of  
3 Title 43 of the Revised Statutes<sup>1</sup>.

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

7  
8 <sup>1</sup>[1. Section 5 of P.L.1970, c.324 (C.43:21-24.11) is amended to  
9 read as follows:

10 5. For the purposes of the extended benefit program and as used  
11 in this act, unless the context clearly requires otherwise:

12 a. "Extended benefit period" means a period which

13 (1) Begins with the third week after a week for which there is a  
14 state "on" indicator; and

15 (2) Ends with either of the following weeks, whichever occurs  
16 later:

17 (a) The third week after the first week for which there is a state  
18 "off" indicator; or

19 (b) The thirteenth consecutive week of such period; provided, that  
20 no extended benefit period may begin by reason of a state "on"  
21 indicator before the fourteenth week after the close of a prior extended  
22 benefit period which was in effect with respect to this State; and  
23 provided further, that no extended benefit period may become  
24 effective in this State prior to the effective date of this act.

25 b. (Deleted by amendment.)

26 c. (Deleted by amendment.)

27 d. There is a "state "on" indicator" for this State for a week if  
28 [the];

29 (1) The division determines, in accordance with the regulations of

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup> Senate SBA committee amendments adopted March 18, 1996.

1 the United States Secretary of Labor, that for the period consisting of  
2 the respective week and the immediately preceding 12 weeks, the rate  
3 of insured unemployment (not seasonally adjusted) under the  
4 [Unemployment Compensation Law] "unemployment compensation  
5 law" (R.S.43:21-1 et seq.):

6 [(1)] (a) Equaled or exceeded 120% of the average of these rates  
7 for the corresponding 13-week period during each of the preceding 2  
8 calendar years, and [equaled or exceeded 4%; provided that], for  
9 weeks beginning after September 25, 1982, [the rate] equaled or  
10 exceeded 5%; or

11 [(2)] (b) With respect to benefits for weeks of unemployment  
12 beginning after [March 30, 1977, equaled or exceeded 5%; provided  
13 that for weeks beginning after] September 25, 1982, [the rate] equaled  
14 or exceeded 6%; or

15 (2) With respect to any week of unemployment beginning after  
16 June 30, 1996, the average seasonally adjusted rate of total  
17 unemployment in the State, as determined by the United States  
18 Secretary of Labor for the most recent three-month period for which  
19 data for all states are published before the close of that week:

20 (a) Equals or exceeds 6.5%; and

21 (b) Equals or exceeds 110% of the average seasonally adjusted rate  
22 of total unemployment in the State during either of the corresponding  
23 three-month periods ending in the two preceding calendar years.

24 e. There is a "state "off" indicator" for this State for a week if the  
25 division determines, in accordance with the regulations of the United  
26 States Secretary of Labor, that for the period consisting of the  
27 respective week and the immediately preceding 12 weeks, neither  
28 [subparagraph] paragraph (1) or (2) of [paragraph] subsection d. was  
29 satisfied.

30 f. "Rate of insured unemployment," for purposes of subsections d.  
31 and e. means the percentage derived by dividing

32 (1) The average weekly number of individuals filing claims for  
33 regular benefits in this State for weeks of unemployment with respect  
34 to the most recent 13-consecutive-week period, as determined by the  
35 division on the basis of its reports to the United States Secretary of  
36 Labor, by

37 (2) The average monthly covered employment for the specified  
38 period.

39 g. "Regular benefits" means benefits payable to an individual under  
40 the [Unemployment Compensation Law] "unemployment  
41 compensation law" (R.S.43:21-1 et seq.) or under any other State law  
42 (including benefits payable to Federal civilian employees and to  
43 ex-servicemen pursuant to 5 U.S.C. chapter 85) other than extended  
44 benefits.

45 h. "Extended benefits" means benefits (including benefits payable  
46 to Federal civilian employees and to ex-servicemen pursuant to 5

1 U.S.C. chapter 85) payable to an individual under the provisions of  
2 this act for weeks of unemployment in his eligibility period.

3 i. "Eligibility period" of an individual means the period consisting  
4 of the weeks in his benefit year which begin in an extended benefit  
5 period and, if his benefit year ends within the extended benefit period,  
6 any weeks thereafter which begin in the period.

7 j. "Exhaustee" means an individual who, with respect to any week  
8 of unemployment in his eligibility period:

9 (1) Has received prior to the week, all of the regular benefits that  
10 were available to him under the [Unemployment Compensation Law]  
11 "unemployment compensation law" or any other State law (including  
12 dependents' allowances and benefits payable to Federal civilian  
13 employees and ex-servicemen under 5 U.S.C. chapter 85) in his  
14 current benefit year that includes such week, provided, that for the  
15 purposes of this [subparagraph] paragraph, an individual shall be  
16 deemed to have received all of the regular benefits that were available  
17 to him although as a result of a pending appeal with respect to wages  
18 and/or employment that were not considered in the original monetary  
19 determination in his benefit year, he may subsequently be determined  
20 to be entitled to added regular benefits; or

21 (2) His benefit year having expired prior to such week, has no, or  
22 insufficient, wages and/or employment on the basis of which he could  
23 establish a new benefit year that would include such week; and

24 (3) (a) has no right to unemployment benefits or allowances, as the  
25 case may be, under the Railroad Unemployment Insurance Act, the  
26 Trade Expansion Act of 1962, the Automotive Products Trade Act of  
27 1965 and such other Federal laws as are specified in regulations  
28 issued by the United States Secretary of Labor; and

29 (b) has not received and is not seeking unemployment benefits  
30 under the Unemployment Compensation Law of Canada; but if he is  
31 seeking these benefits and the appropriate agency finally determines  
32 that he is not entitled to benefits under that law he is considered an  
33 exhaustee if the other provisions of this definition are met.

34 k. "State law" means the unemployment insurance law of any state  
35 approved by the United States Secretary of Labor under section 3304  
36 of the Internal Revenue Code of [1954] 1986, 26 U.S.C. §3304.

37 l. "High unemployment period" means any period during which the  
38 average seasonally adjusted rate of total unemployment in the State,  
39 as determined by the United States Secretary of Labor for the most  
40 recent three-month period for which data for all states are published:

41 (1) Equals or exceeds 8%; and

42 (2) Equals or exceeds 110% of the average seasonally adjusted rate  
43 of total unemployment in the State during either of the corresponding  
44 three-month periods ending in the two preceding calendar years.

45 (cf: P.L.1982, c.144, s.1)]<sup>1</sup>

46 <sup>1</sup>[2. Section 9 of P.L.1970, c.324 (C.43:21-24.15) is amended to

1 read as follows:

2 9. [The] a. Except as provided in subsection b. of this section, the  
3 total extended benefit amount payable to any eligible individual with  
4 respect to his applicable benefit year shall be the lesser of the  
5 following amounts:

6 [a.] (1) 50% of the total of regular benefits which were payable to  
7 him under the [Unemployment Compensation Law] "unemployment  
8 compensation law" (R.S.43:21-1 et seq.) in his applicable benefit year;  
9 or

10 [b.] (2) thirteen times his weekly benefit amount which was  
11 payable to him under the [Unemployment Compensation Law]  
12 "unemployment compensation law" (R.S.43:21-1 et seq.) for a week  
13 of total unemployment in the applicable benefit year.

14 b. With respect to weeks beginning during a high unemployment  
15 period, the total extended benefit amount payable to an eligible  
16 individual with respect to his applicable benefit year shall be the lesser  
17 of the following amounts:

18 (1) 80% of the total of regular benefits which were payable to the  
19 individual under the "unemployment compensation law" (R.S.43:21-1  
20 et seq.) during the applicable benefit year; or

21 (2) Twenty times the weekly benefit amount which was payable to  
22 the individual under the "unemployment compensation law"  
23 (R.S.43:21-1 et seq.) for a week of total unemployment during the  
24 applicable benefit year.

25 c. Notwithstanding any other provisions of the [Unemployment  
26 Compensation Law] "unemployment compensation law" (R.S.43:21-1  
27 et seq.), if the benefit year of an adversely affected worker covered by  
28 a certification under subchapter A, chapter 2, Title II of the Trade Act  
29 of 1974, P.L.93-618, 5 U.S.C.5312 et seq. as amended, ends within an  
30 extended benefit period, the remaining balance of extended benefits  
31 that the individual would, but for this section, be entitled to receive  
32 in that extended benefit period, with respect to weeks of  
33 unemployment beginning after the end of the benefit year, shall be  
34 reduced (but not below zero) by the product of the number of weeks  
35 for which the individual received any amounts as trade readjustment  
36 allowances within that benefit year, multiplied by the individual's  
37 weekly benefit amount for extended benefits.

38 (cf: P.L.1982, c.144, s.3)]<sup>1</sup>

39

40 <sup>1</sup>[3. (New Section)] 1.<sup>1</sup> For the purposes of the Emergency  
41 Unemployment Benefits Program and as used in <sup>1</sup>[Sections 3 through  
42 8 of]<sup>1</sup> this <sup>1</sup>[1996 amendatory and supplementary]<sup>1</sup> act:

43 "Emergency unemployment benefits" means benefits financed  
44 entirely by the State and paid to exhaustees pursuant to <sup>1</sup>[Sections 3  
45 through 8 of]<sup>1</sup> this <sup>1</sup>[1996 amendatory and supplementary]<sup>1</sup> act.

46 "Emergency unemployment benefit period" means a period not

1 within an extended benefit period which:

2 a. Begins on <sup>1</sup>[March 3, 1996] April 1, 1996 <sup>1</sup>, and

3 b. Ends upon the conclusion of the second week after the first week  
4 for which there is a State "on" indicator as defined in section 5 of  
5 P.L.1970, c.324 (C.43:21-24.11) or other federally-financed  
6 supplemental benefits program, or

7 c. If there is no such "on" indicator, ends with the occurrence of  
8 either of the following:

9 (1) The third week after the first week for which there is a State  
10 emergency unemployment benefits "off" indicator; or

11 (2) The calendar week after the calendar week in which total  
12 expenditures of emergency unemployment compensation fund  
13 Statewide first exceed \$250 million.

14 There is a State emergency unemployment benefits "off" indicator  
15 for any week in which it is determined by the division based on data  
16 reported by the U.S. Bureau of Labor Statistics that, for the prior four  
17 calendar months, the average total unemployment rate (seasonally  
18 adjusted) in this State is less than 6.0 percent.

19 Notwithstanding any other provision of this subsection c., no  
20 emergency unemployment benefits shall be paid after <sup>1</sup>[September]  
21 October <sup>1</sup> 1, 1996, except that emergency benefits shall be paid to  
22 individuals who established emergency unemployment claims prior to  
23 that date. No emergency unemployment benefits shall be paid to any  
24 individual after December 8, 1996.

25 "Eligibility period" of an exhaustee means the period consisting of  
26 the weeks in the exhaustee's benefit year which begin in an emergency  
27 unemployment benefit period and, if that benefit year ends in the  
28 emergency unemployment benefit period, any weeks thereafter which  
29 begin in the period.

30 "Exhaustee" means an individual who exhausted all of the regular  
31 benefits that were available to the individual pursuant to the  
32 "unemployment compensation law," R.S.43:21-1 et seq., (including  
33 benefits payable to federal civilian employees and ex-service persons  
34 or payable under the combined wage program), after <sup>1</sup>[September]  
35 October <sup>1</sup> 2, 1995 and before <sup>1</sup>[March 3,] April 1, <sup>1</sup> 1996, or during any  
36 calendar week of the emergency unemployment benefit period. No  
37 individual who exhausted all of the available regular benefits prior to  
38 <sup>1</sup>[September] October <sup>1</sup> 3, 1995 shall be eligible for emergency  
39 unemployment benefits. An individual whose benefit year has expired  
40 prior to the beginning of the emergency unemployment benefit period  
41 shall not be eligible for such benefits.

42

43 <sup>1</sup>[4. (New section)] 2. <sup>1</sup> During an emergency unemployment  
44 benefit period exhaustees, who otherwise continue to meet the  
45 eligibility requirements for regular benefits pursuant to the provisions  
46 of the "unemployment compensation law," R.S.43:21-1 et seq., and

1 who are not eligible for any other unemployment benefits, including  
2 benefits provided for by any federal law extending benefits beyond  
3 those provided for as regular benefits or extended benefits, may  
4 receive weekly emergency unemployment benefits for weeks  
5 subsequent to <sup>1</sup>[March 3,] April 1, <sup>1</sup>1996 in an amount equal to the  
6 weekly benefit amount of the individual's most recent regular  
7 unemployment benefit claim subject to the provisions of the  
8 "unemployment compensation law," R.S.43:21-1 et seq. The  
9 maximum emergency unemployment benefits an individual may receive  
10 pursuant to <sup>1</sup>[Sections 3 through 8 of]<sup>1</sup> this <sup>1</sup>[1996 amendatory and  
11 supplementary]<sup>1</sup> act is 25 percent of the regular unemployment  
12 benefits which were payable to the individual pursuant to the  
13 "unemployment compensation law," R.S.43:21-1 et seq., (including  
14 benefits payable to federal civilian employees and ex-service persons  
15 or payable under the combined wage program) in the individual's  
16 applicable benefit year.

17  
18 <sup>1</sup>[5. (New section)] 3.<sup>1</sup> No employer's account shall be charged  
19 for emergency unemployment benefits paid to an unemployed  
20 individual pursuant to <sup>1</sup>[sections 3 through 8 of]<sup>1</sup> this <sup>1</sup>[1996  
21 amendatory and supplementary]<sup>1</sup> act, except for the account of an  
22 out-of -State employer who is liable for charges under the Combined  
23 Wage Program. However, nothing in this section shall be construed  
24 to relieve employers electing to make payments in lieu of contributions  
25 pursuant to section 3 or 4 of P.L.1971, c.346 (C.43:21-7.2 or  
26 C.43:21-7.3) from reimbursing the unemployment benefits paid to an  
27 unemployed individual pursuant to <sup>1</sup>[sections 3 through 8 of]<sup>1</sup> this  
28 <sup>1</sup>[1996 amendatory and supplementary]<sup>1</sup> act.

29 Emergency unemployment benefits paid to federal civilian  
30 employees shall be charged to the appropriate federal account.  
31 Emergency unemployment benefits paid to ex-service persons shall be  
32 charged to the General Fund.

33  
34 <sup>1</sup>[6. (New section)] 4.<sup>1</sup> Emergency unemployment benefits may be  
35 paid pursuant to the provisions of <sup>1</sup>[sections 3 through 8 of]<sup>1</sup> this  
36 <sup>1</sup>[1996 amendatory and supplementary] <sup>1</sup>act only with respect to  
37 weeks not within an extended benefit period, and not within a period  
38 covered by any federal law allowing the filing of new claims extending  
39 benefits beyond those provided for as regular or extended benefits. If  
40 a federal extended benefits period triggers "on" , maximum benefits  
41 payable to an individual under the federal extended benefits program  
42 or any federal supplemental benefits program shall be reduced by an  
43 amount equal to that received by the individual under the emergency  
44 unemployment benefits program.

45  
46 <sup>1</sup>[7. (New section)] 5.<sup>1</sup> Notwithstanding the provisions of any

1 other law, the division shall use appropriate administrative means to  
2 insure that emergency unemployment benefits are paid only to  
3 individuals who meet the requirements of <sup>1</sup>[sections 3 through 8 of]<sup>1</sup>  
4 this <sup>1</sup>[1996 amendatory and supplementary]<sup>1</sup> act. These  
5 administrative actions may include, but shall not be limited to, the  
6 following procedure. The division shall match the claimant's social  
7 security number against available wage records to insure that no  
8 earnings were reported for that claimant by employers under  
9 R.S.43:21-14 for periods in which emergency unemployment benefits  
10 were paid.

11

12 <sup>1</sup>[8. (New section)] 6. <sup>1</sup> No exhaustee shall receive benefits  
13 pursuant to <sup>1</sup>[sections 3 through 8 of]<sup>1</sup> this <sup>1</sup>[1996 amendatory and  
14 supplementary]<sup>1</sup> act during the portion of the emergency  
15 unemployment benefit period which occurs prior to the effective date  
16 of this <sup>1</sup>[1996 amendatory and supplementary] <sup>1</sup>act unless the  
17 exhaustee submits to the division a signed written statement, on a form  
18 approved by the division, that the exhaustee was actively seeking work  
19 during that portion of the benefit period and was otherwise eligible for  
20 the benefits.

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22 <sup>1</sup>[9.] 7. <sup>1</sup> This act shall take effect immediately.

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26

27 Concerns extended UI benefits.