

[Second Reprint]  
**SENATE, No. 1616**

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**STATE OF NEW JERSEY**

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INTRODUCED OCTOBER 28, 1996

By Senators CAFIERO and LITTELL

1   **AN ACT** concerning employer contributions to the unemployment  
2   compensation fund and amending <sup>1</sup>R.S. 43:21-3 <sup>2</sup>[and<sup>1</sup>] <sup>2</sup>  
3   R.S.43:21-7 <sup>2</sup>, R.S. 43:21-14 and R.S. 43:21-16<sup>2</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. 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 with  
12         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 2/3 % of the Statewide average weekly remuneration  
29           paid to workers by employers subject to this chapter (R.S.43:21-1 et  
30           seq.), as determined and promulgated by the Commissioner of Labor;  
31           provided, however, that such individual's weekly benefit rate shall be

**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 SCM committee amendments adopted February 10, 1997.

<sup>2</sup> Senate floor amendments adopted March 24, 1997.

1 computed to the next lower multiple of \$1.00 if not already a multiple  
2 thereof.

3 (2) Dependency benefits.

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

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

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

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

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

43 (ii) Where a child is claimed as a dependent by an individual under  
44 this paragraph (2), the individual shall be required to provide to the  
45 division the most recent federal income tax return filed by the  
46 individual to assist the division in verifying the claim.

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

10     (d) Maximum total benefits.

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

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

29       (ii) [Except that benefits paid to an individual for benefit years  
30 commencing on or after July 1, 1986 shall be charged against the  
31 accounts of the individual's base year employers in the following  
32 manner:

33       Each week of benefits paid to an eligible individual shall be charged  
34 against each base year employer's account in the same proportion that  
35 the wages paid by each employer to the individual during the base year  
36 bear to the wages paid by all employers to that individual during the  
37 base year.]<sup>2</sup>[(Deleted by amendment, P.L. , c. .)] Except as  
38 provided pursuant to paragraph (1) of subsection (c) of R.S.43:21-7,  
39 benefits paid to an individual for benefit years commencing on or after  
40 July 1, 1986 shall be charged against the accounts of the individual's  
41 base year employers in the following manner:

42       Each week of benefits paid to an eligible individual shall be charged  
43 against each base year employer's account in the same proportion that  
44 the wages paid by each employer to the individual during the base year  
45 bear to the wages paid by all employers to that individual during the  
46 base year.<sup>2</sup>

1       (iii) [Wages earned during a base year, which had previously been  
2 used to establish a benefit year commencing prior to July 1, 1986, may  
3 also be used to establish benefit years commencing on or after July 1,  
4 1986 but prior to October 1, 1987. No employer's account shall be  
5 charged for any benefits payable based on base year wages which may  
6 be used to establish entitlement under the provisions of this  
7 subparagraph (iii).] (Deleted by amendment, P.L. , c. .)

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

17       (3) (Deleted by amendment, P.L.1984, c.24.)<sup>1</sup>  
18 (cf: P.L.1995, c.394, s.6)

19

20       <sup>1</sup>[1.] 2.<sup>1</sup> R.S.43:21-7 is amended to read as follows:

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

32       (a) Payment.

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

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

44       (b) Rate of contributions. Each employer shall pay the following  
45 contributions:

46       (1) For the calendar year 1947, and each calendar year thereafter,

1    2 7/10% of wages paid by him during each such calendar year, except  
2    as otherwise prescribed by subsection (c) of this section.

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

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

40        (c) Future rates based on benefit experience.

41        (1) A separate account for each employer shall be maintained and  
42   this shall be credited with all the contributions which he has paid on  
43   his own behalf on or before January 31 of any calendar year with  
44   respect to employment occurring in the preceding calendar year;  
45   provided, however, that if January 31 of any calendar year falls on a  
46   Saturday or Sunday, an employer's account shall be credited as of

1 January 31 of such calendar year with all the contributions which he  
2 has paid on or before the next succeeding day which is not a Saturday  
3 or Sunday. But nothing in this chapter (R.S.43:21-1 et seq.) shall be  
4 construed to grant any employer or individuals in his service prior  
5 claims or rights to the amounts paid by him into the fund either on his  
6 own behalf or on behalf of such individuals. Benefits paid with respect  
7 to benefit years commencing on and after January 1, 1953, to any  
8 individual on or before December 31 of any calendar year with respect  
9 to unemployment in such calendar year and in preceding calendar years  
10 shall be charged against the account or accounts of the employer or  
11 employers in whose employment such individual established base  
12 weeks constituting the basis of such benefits, except that, with respect  
13 to benefit years commencing after <sup>1</sup>[December 31, 1996] <sup>2</sup>[July 1,  
14 1997] January 4, 1998<sup>2</sup>, an employer's account shall not be charged  
15 for benefits paid to a claimant if the claimant's employment by that  
16 employer was ended in any way which, pursuant to <sup>2</sup>subsection (a),  
17 (b), (c), (f), (g) or (h) of<sup>2</sup> R.S.43:21-5, would have disqualified the  
18 claimant for benefits if the claimant had applied for benefits at the time  
19 when that employment ended <sup>1</sup>[and the benefits shall instead be  
20 charged to other employers in whose employment the claimant  
21 established base weeks constituting the basis of the benefits and who  
22 ended the claimant's employment in a way which would have made the  
23 claimant eligible for benefits at the time, or, if there are no other  
24 employers in whose employment the claimant established base weeks  
25 constituting the basis of the benefits and who ended the claimant's  
26 employment in a way which would have made the claimant eligible for  
27 benefits at the time, to the employer who last employed the claimant  
28 prior to the claimant making a successful claim for benefits]<sup>1</sup>. Benefits  
29 paid under a given benefit determination shall be charged against the  
30 account of the employer to whom such determination relates. When  
31 each benefit payment is made, either a copy of the benefit check or  
32 other form of notification shall be promptly sent to the employer  
33 against whose account the benefits are to be charged. Such copy or  
34 notification shall identify the employer against whose account the  
35 amount of such payment is being charged, shall show at least the name  
36 and social security account number of the claimant and shall specify  
37 the period of unemployment to which said check applies. If the total  
38 amount of benefits paid to a claimant and charged to the account of  
39 the appropriate employer exceeds 50% of the total base year, base  
40 week wages paid to the claimant by that employer, then such employer  
41 shall have canceled from his account such excess benefit charges as  
42 specified above.

43       Each employer shall be furnished an annual summary statement of  
44       benefits charged to his account.

45       (2)      Regulations may be prescribed for the establishment,  
46       maintenance, and dissolution of joint accounts by two or more

1 employers, and shall, in accordance with such regulations and upon  
2 application by two or more employers to establish such an account, or  
3 to merge their several individual accounts in a joint account, maintain  
4 such joint account as if it constituted a single employer's account.

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

10 (4) Employer Reserve Ratio. (A) Each employer's rate shall be 2  
11 8/10%, except as otherwise provided in the following provisions. No  
12 employer's rate for the 12 months commencing July 1 of any calendar  
13 year shall be other than 2 8/10%, unless as of the preceding January 31  
14 such employer shall have paid contributions with respect to wages paid  
15 in each of the three calendar years immediately preceding such year,  
16 in which case such employer's rate for the 12 months commencing July  
17 1 of any calendar year shall be determined on the basis of his record up  
18 to the beginning of such calendar year. If, at the beginning of such  
19 calendar year, the total of all his contributions, paid on his own behalf,  
20 for all past years exceeds the total benefits charged to his account for  
21 all such years, his contribution rate shall be:

22 (1) 2 5/10%, if such excess equals or exceeds 4%, but less than  
23 5%, of his average annual payroll (as defined in paragraph (2),  
24 subsection (a) of R.S.43:21-19);

25 (2) 2 2/10%, if such excess equals or exceeds 5%, but is less than  
26 6%, of his average annual payroll;

27 (3) 1 9/10%, if such excess equals or exceeds 6%, but is less than  
28 7%, of his average annual payroll;

29 (4) 1 6/10%, if such excess equals or exceeds 7%, but is less than  
30 8%, of his average annual payroll;

31 (5) 1 3/10%, if such excess equals or exceeds 8%, but is less than  
32 9%, of his average annual payroll;

33 (6) 1%, if such excess equals or exceeds 9%, but is less than 10%,  
34 of his average annual payroll;

35 (7) 7/10 of 1%, if such excess equals or exceeds 10%, but is less  
36 than 11%, of his average annual payroll;

37 (8) 4/10 of 1%, if such excess equals or exceeds 11% of his  
38 average annual payroll.

39 (B) If the total of an employer's contributions, paid on his own  
40 behalf, for all past periods for the purposes of this paragraph (4), is  
41 less than the total benefits charged against his account during the same  
42 period, his rate shall be:

43 (1) 4%, if such excess is less than 10% of his average annual  
44 payroll;

45 (2) 4 3/10%, if such excess equals or exceeds 10%, but is less than  
46 20%, of his average annual payroll;

1       (3) 4 6/10%, if such excess equals or exceeds 20% of his average  
2 annual payroll.

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

8           (i) if the reserve balance in its account is positive, its assigned rate  
9 shall be the highest rate in effect for positive balance accounts for that  
10 period, or 5.4%, whichever is higher, and (ii) if the reserve balance in  
11 its account is negative, its assigned rate shall be the highest rate in  
12 effect for deficit accounts for that period.

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

17       (5) (A) Unemployment Trust Fund Reserve Ratio. If on March 31  
18 of any calendar year the balance in the unemployment trust fund equals  
19 or exceeds 4% but is less than 7% of the total taxable wages reported  
20 to the controller as of that date in respect to employment during the  
21 preceding calendar year, the contribution rate, effective July 1  
22 following, of each employer eligible for a contribution rate calculation  
23 based upon benefit experience, shall be increased by 3/10 of 1% over  
24 the contribution rate otherwise established under the provisions of  
25 paragraph (3) or (4) of this subsection. If on March 31 of any  
26 calendar year the balance of the unemployment trust fund exceeds 2  
27 1/2% but is less than 4% of the total taxable wages reported to the  
28 controller as of that date in respect to employment during the  
29 preceding calendar year, the contribution rate, effective July 1  
30 following, of each employer eligible for a contribution rate calculation  
31 based upon benefit experience, shall be increased by 6/10 of 1% over  
32 the contribution rate otherwise established under the provisions of  
33 paragraph (3) or (4) of this subsection.

34       If on March 31 of any calendar year the balance of the  
35 unemployment trust fund is less than 2 1/2% of the total taxable wages  
36 reported to the controller as of that date in respect to employment  
37 during the preceding calendar year, the contribution rate, effective July  
38 1 following, of each employer (1) eligible for a contribution rate  
39 calculation based upon benefit experience, shall be increased by (i)  
40 6/10 of 1% over the contribution rate otherwise established under the  
41 provisions of paragraph (3), (4)(A) or (4)(B) of this subsection, and  
42 (ii) an additional amount equal to 20% of the total rate established  
43 herein, provided, however, that the final contribution rate for each  
44 employer shall be computed to the nearest multiple of 1/10% if not  
45 already a multiple thereof; (2) not eligible for a contribution rate  
46 calculation based upon benefit experience, shall be increased by 6/10

1 of 1% over the contribution rate otherwise established under the  
2 provisions of paragraph (4) of this subsection. For the period  
3 commencing July 1, 1984 and ending June 30, 1986, the contribution  
4 rate for each employer liable to pay contributions under R.S.43:21-7  
5 shall be increased by a factor of 10% computed to the nearest multiple  
6 of 1/10% if not already a multiple thereof.

7 (B) If on March 31 of any calendar year the balance in the  
8 unemployment trust fund equals or exceeds 10% but is less than 12  
9 1/2% of the total taxable wages reported to the controller as of that  
10 date in respect to employment during the preceding calendar year, the  
11 contribution rate, effective July 1 following, of each employer eligible  
12 for a contribution rate calculation based upon benefit experience, shall  
13 be reduced by 3/10 of 1% under the contribution rate otherwise  
14 established under the provisions of paragraphs (3) and (4) of this  
15 subsection; provided that in no event shall the contribution rate of any  
16 employer be reduced to less than 4/10 of 1%. If on March 31 of any  
17 calendar year the balance in the unemployment trust fund equals or  
18 exceeds 12 1/2% of the total taxable wages reported to the controller  
19 as of that date in respect to employment during the preceding calendar  
20 year, the contribution rate, effective July 1 following, of each  
21 employer eligible for a contribution rate calculation based upon benefit  
22 experience, shall be reduced by 6/10 of 1% if his account for all past  
23 periods reflects an excess of contributions paid over total benefits  
24 charged of 3% or more of his average annual payroll, otherwise by  
25 3/10 of 1% under the contribution rate otherwise established under the  
26 provisions of paragraphs (3) and (4) of this subsection; provided that  
27 in no event shall the contribution rate of any employer be reduced to  
28 less than 4/10 of 1%.

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

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

41 (E)(i) With respect to experience rating years beginning on or after  
42 July 1, 1986 and before July 1, 1997, the new employer rate or the  
43 unemployment experience rate of an employer under this section shall  
44 be the rate which appears in the column headed by the Unemployment  
45 Trust Fund Reserve Ratio as of the applicable calculation date and on  
46 the line with the Employer Reserve Ratio, as defined in paragraph 4 of

1 this subsection (R.S.43:21-7 (c)(4)), as set forth in the following table:

2 EXPERIENCE RATING TAX TABLE

3 Fund Reserve Ratio<sup>1</sup>

4

		10.00%	7.00%	4.00%	2.50%	2.49%
6	Employer	and	to	to	to	and
7	Reserve	Over	9.99%	6.99%	3.99%	Under
8	Ratio <sup>2</sup>	A	B	C	D	E
<b>Positive Reserve Ratio:</b>						
10	17% and over	0.3	0.4	0.5	0.6	1.2
11	16.00% to 16.99%	0.4	0.5	0.6	0.6	1.2
12	15.00% to 15.99%	0.4	0.6	0.7	0.7	1.2
13	14.00% to 14.99%	0.5	0.6	0.7	0.8	1.2
14	13.00% to 13.99%	0.6	0.7	0.8	0.9	1.2
15	12.00% to 12.99%	0.6	0.8	0.9	1.0	1.2
16	11.00% to 11.99%	0.7	0.8	1.0	1.1	1.2
17	10.00% to 10.99%	0.9	1.1	1.3	1.5	1.6
18	9.00% to 9.99%	1.0	1.3	1.6	1.7	1.9
19	8.00% to 8.99%	1.3	1.6	1.9	2.1	2.3
20	7.00% to 7.99%	1.4	1.8	2.2	2.4	2.6
21	6.00% to 6.99%	1.7	2.1	2.5	2.8	3.0
22	5.00% to 5.99%	1.9	2.4	2.8	3.1	3.4
23	4.00% to 4.99%	2.0	2.6	3.1	3.4	3.7
24	3.00% to 3.99%	2.1	2.7	3.2	3.6	3.9
25	2.00% to 2.99%	2.2	2.8	3.3	3.7	4.0
26	1.00% to 1.99%	2.3	2.9	3.4	3.8	4.1
27	0.00% to 0.99%	2.4	3.0	3.6	4.0	4.3
<b>Deficit Reserve Ratio:</b>						
29	-0.00% to -2.99%	3.4	4.3	5.1	5.6	6.1
30	-3.00% to -5.99%	3.4	4.3	5.1	5.7	6.2
31	-6.00% to -8.99%	3.5	4.4	5.2	5.8	6.3
32	-9.00% to -11.99%	3.5	4.5	5.3	5.9	6.4
33	-12.00% to -14.99%	3.6	4.6	5.4	6.0	6.5
34	-15.00% to -19.99%	3.6	4.6	5.5	6.1	6.6
35	-20.00% to -24.99%	3.7	4.7	5.6	6.2	6.7
36	-25.00% to -29.99%	3.7	4.8	5.6	6.3	6.8
37	-30.00% to -34.99%	3.8	4.8	5.7	6.3	6.9
38	-35.00% and under	5.4	5.4	5.8	6.4	7.0
39	New Employer Rate	2.8	2.8	2.8	3.1	3.4

40       <sup>1</sup>Fund balance as of March 31 as a percentage of taxable wages in  
41 the prior calendar year.

42       <sup>2</sup>Employer Reserve Ratio (Contributions minus benefits as a  
43 percentage of employer's taxable wages).

44       (ii) With respect to experience rating years beginning on or after  
45 July 1, 1997, the new employer rate or the unemployment experience  
46 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:

## EXPERIENCE RATING TAX TABLE

## Fund Reserve Ratio<sup>1</sup>

		6.00%	4.00%	3.00%	2.50%	2.49%
8						
9	Employer	and	to	to	to	and
10	Reserve	Over	5.99%	3.99%	2.99%	Under
11	Ratio <sup>2</sup>	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       <sup>1</sup>Fund balance as of March 31 as a percentage of taxable wages in  
44 the prior calendar year.

45       <sup>2</sup>Employer Reserve Ratio (Contributions minus benefits as a  
46 percentage of employer's taxable wages).

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

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

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

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

39     On or after January 1, 1994 until December 31, 1995, except as  
40 provided pursuant to subparagraph (I) of this paragraph (5),  
41 notwithstanding any other provisions of this paragraph (5), the  
42 contribution rate for each employer liable to pay contributions, as  
43 computed under subparagraph (E) of this paragraph (5), shall be  
44 decreased by a factor of 36.0% computed to the nearest multiple of  
45 1/10%, except that, if an employer has a deficit reserve ratio of  
46 negative 35.0% or under, the employer's rate of contribution shall not

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

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

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

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

43   If, upon calculating the unemployment compensation fund reserve  
44   ratio pursuant to R.S.43:21-7(c)(5)(D) prior to March 31, 1997, the  
45   controller finds that the fund reserve ratio has decreased to a level of  
46   less than 3.00%, the Commissioner of Labor shall notify the State

1      Treasurer of this fact and of the dollar amount necessary to bring the  
2      fund reserve ratio up to a level of 3.00%. The State Treasurer shall,  
3      prior to March 31, 1997, transfer from the General Fund to the  
4      unemployment compensation fund, revenues in the amount specified  
5      by the commissioner and which, upon deposit in the unemployment  
6      compensation fund, shall result, upon recalculation, in a fund reserve  
7      ratio used to determine employer contributions beginning July 1, 1997,  
8      of at least 3.00%.

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

21     (6) Additional contributions.

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

44     (7) Transfers.

45     (A) Upon the transfer of the organization, trade or business, or  
46     substantially all the assets of an employer to a successor in interest,

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

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

37 (C) A transfer of the employment experience in whole or in part  
38 having become final, the predecessor employer thereafter shall not be  
39 entitled to consideration for an adjusted rate based upon his or its  
40 experience or the part thereof, as the case may be, which has thus been  
41 transferred. A successor in interest to whom employment experience  
42 or a part thereof is transferred pursuant to this subsection shall, as of  
43 the date of the transfer of the organization, trade, assets or business,  
44 or part thereof, immediately become an employer if not theretofore an  
45 employer subject to this chapter (R.S.43:21-1 et seq.).

46 (d) Contributions of workers to the unemployment compensation

1 fund and the State disability benefits fund.

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

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

26      (C) (i) Notwithstanding the above provisions of this paragraph (1),  
27 during the period starting July 1, 1986 and ending December 31, 1992,  
28 each worker shall contribute to the fund 1.125% of wages paid with  
29 respect to his employment with a governmental employer electing or  
30 required to pay contributions or nongovernmental employer, including  
31 a nonprofit organization which is an employer as defined under  
32 R.S.43:21-19(h)(6), regardless of whether that nonprofit organization  
33 elects or is required to finance its benefit costs with contributions to  
34 the fund or by payments in lieu of contributions, after that employer  
35 has satisfied the conditions set forth in subsection R.S.43:21-19(h)  
36 with respect to becoming an employer. Contributions, however, shall  
37 be at the rate of 0.625% while the worker is covered by an approved  
38 private plan under the "Temporary Disability Benefits Law" while the  
39 worker is exempt under section 7 of that law, P.L.1948, c.110  
40 (C.43:21-31) or any other provision of that law; provided that such  
41 contributions shall be at the rate of 0.625% of wages paid with respect  
42 to employment with the State of New Jersey or any other  
43 governmental entity or instrumentality electing or required to make  
44 payments in lieu of contributions and which is covered by the State  
45 plan under the "Temporary Disability Benefits Law," except that, while  
46 the worker is exempt from the provisions of the "Temporary Disability

1 Benefits Law" under section 7 of that law, P.L.1948, c.110  
2 (C.43:21-31) or any other provision of that law, or is covered for  
3 disability benefits by an approved private plan of the employer, the  
4 contributions to the fund shall be 0.125%.

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

6 (D) Notwithstanding any other provisions of this paragraph (1),  
7 during the period starting January 1, 1993 and ending June 30, 1994,  
8 each worker shall contribute to the unemployment compensation fund  
9 0.5% of wages paid with respect to the worker's employment with a  
10 governmental employer electing or required to pay contributions or  
11 nongovernmental employer, including a nonprofit organization which  
12 is an employer as defined under paragraph (6) of subsection (h) of  
13 R.S.43:21-19, regardless of whether that nonprofit organization elects  
14 or is required to finance its benefit costs with contributions to the fund  
15 or by payments in lieu of contributions, after that employer has  
16 satisfied the conditions set forth in subsection (h) of R.S.43:21-19  
17 with respect to becoming an employer. No contributions, however,  
18 shall be made by the worker while the worker is covered by an  
19 approved private plan under the "Temporary Disability Benefits Law,"  
20 P.L.1948, c.110 (C.43:21-25 et seq.) or while the worker is exempt  
21 under section 7 of P.L.1948, c.110 (C.43:21-31) or any other  
22 provision of that law; provided that the contributions shall be at the  
23 rate of 0.50% of wages paid with respect to employment with the  
24 State of New Jersey or any other governmental entity or  
25 instrumentality electing or required to make payments in lieu of  
26 contributions and which is covered by the State plan under the  
27 "Temporary Disability Benefits Law," except that, while the worker is  
28 exempt from the provisions of the "Temporary Disability Benefits  
29 Law" under section 7 of that law, P.L.1948, c.110 (C.43:21-31) or any  
30 other provision of that law, or is covered for disability benefits by an  
31 approved private plan of the employer, no contributions shall be made  
32 to the fund.

33 Each worker shall, starting on January 1, 1996 and ending March  
34 31, 1996, contribute to the unemployment compensation fund 0.60%  
35 of wages paid with respect to the worker's employment with a  
36 governmental employer electing or required to pay contributions or  
37 nongovernmental employer, including a nonprofit organization which  
38 is an employer as defined under paragraph (6) of subsection (h) of  
39 R.S.43:21-19, regardless of whether that nonprofit organization elects  
40 or is required to finance its benefit costs with contributions to the fund  
41 or by payments in lieu of contributions, after that employer has  
42 satisfied the conditions set forth in subsection (h) of R.S.43:21-19  
43 with respect to becoming an employer, provided that the contributions  
44 shall be at the rate of 0.10% of wages paid with respect to  
45 employment with the State of New Jersey or any other governmental  
46 entity or instrumentality electing or required to make payments in lieu

1 of contributions.

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

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

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

33     (G) Each worker shall, starting on July 1, 1994, contribute to the  
34    State disability benefits fund an amount equal to 0.50% of wages paid  
35    with respect to the worker's employment with a government employer  
36    electing or required to pay contributions to the State disability benefits  
37    fund or nongovernmental employer, including a nonprofit organization  
38    which is an employer as defined under paragraph (6) of subsection (h)  
39    of R.S.43:21-19, unless the employer is covered by an approved  
40    private disability plan or is exempt from the provisions of the  
41    "Temporary Disability Benefits Law," P.L.1984 c.110 (C.43:21-25 et  
42    seq.) under section 7 of that law (C.43:21-31) or any other provision  
43    of that law.

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

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

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

1       (D) (Deleted by amendment, P.L.1994, c.112.)  
2       (E) (i) (Deleted by amendment, P.L.1994, c.112.)  
3       (ii) (Deleted by amendment, P.L.1996, c.28).  
4       (iii) (Deleted by amendment, P.L.1994, c.112.)  
5       (3) If an employee receives wages from more than one employer  
6       during any calendar year, and either the sum of his contributions  
7       deposited in and credited to the State disability benefits fund plus the  
8       amount of his contributions, if any, required towards the costs of  
9       benefits under one or more approved private plans under the  
10      provisions of section 9 of the "Temporary Disability Benefits Law"  
11      (C.43:21-33) and deducted from his wages, or the sum of such latter  
12      contributions, if the employee is covered during such calendar year  
13      only by two or more private plans, exceeds an amount equal to 1/2 of  
14      1% of the "wages" determined in accordance with the provisions of  
15      R.S.43:21-7(b)(3) during the calendar years beginning on or after  
16      January 1, 1976, the employee shall be entitled to a refund of the  
17      excess if he makes a claim to the controller within two years after the  
18      end of the calendar year in which the wages are received with respect  
19      to which the refund is claimed and establishes his right to such refund.  
20      Such refund shall be made by the controller from the State disability  
21      benefits fund. No interest shall be allowed or paid with respect to any  
22      such refund. The controller shall, in accordance with prescribed  
23      regulations, determine the portion of the aggregate amount of such  
24      refunds made during any calendar year which is applicable to private  
25      plans for which deductions were made under section 9 of the  
26      "Temporary Disability Benefits Law," such determination to be based  
27      upon the ratio of the amount of such wages exempt from contributions  
28      to such fund, as provided in subparagraph (B) of paragraph (1) of this  
29      subsection with respect to coverage under private plans, to the total  
30      wages so exempt plus the amount of such wages subject to  
31      contributions to the disability benefits fund, as provided in  
32      subparagraph (G) of paragraph (1) of this subsection. The controller  
33      shall, in accordance with prescribed regulations, prorate the amount  
34      so determined among the applicable private plans in the proportion  
35      that the wages covered by each plan bear to the total private plan  
36      wages involved in such refunds, and shall assess against and recover  
37      from the employer, or the insurer if the insurer has indemnified the  
38      employer with respect thereto, the amount so prorated. The  
39      provisions of R.S.43:21-14 with respect to collection of employer  
40      contributions shall apply to such assessments. The amount so  
41      recovered by the controller shall be paid into the State disability  
42      benefits fund.

43       (4) If an individual does not receive any wages from the employing  
44      unit which for the purposes of this chapter (R.S.43:21-1 et seq.) is  
45      treated as his employer, or receives his wages from some other  
46      employing unit, such employer shall nevertheless be liable for such

1 individual's contributions in the first instance; and after payment  
2 thereof such employer may deduct the amount of such contributions  
3 from any sums payable by him to such employing unit, or may recover  
4 the amount of such contributions from such employing unit, or, in the  
5 absence of such an employing unit, from such individual, in a civil  
6 action; provided proceedings therefor are instituted within three  
7 months after the date on which such contributions are payable. General  
8 rules shall be prescribed whereby such an employing unit may recover  
9 the amount of such contributions from such individuals in the same  
10 manner as if it were the employer.

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

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

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

22 (1) Except as hereinafter provided, each employer shall, in addition  
23 to the contributions required by subsections (a), (b), and (c) of this  
24 section, contribute 1/2 of 1% of the wages paid by such employer to  
25 workers with respect to employment unless he is not a covered  
26 employer as defined in section 3 of the "Temporary Disability Benefits  
27 Law" (C.43:21-27 (a)), except that the rate for the State of New  
28 Jersey shall be 1/10 of 1% for the calendar year 1980 and for the first  
29 six months of 1981. Prior to July 1, 1981 and prior to July 1 each year  
30 thereafter, the controller shall review the experience accumulated in  
31 the account of the State of New Jersey and establish a rate for the next  
32 following fiscal year which, in combination with worker contributions,  
33 will produce sufficient revenue to keep the account in balance; except  
34 that the rate so established shall not be less than 1/10 of 1%. Such  
35 contributions shall become due and be paid by the employer to the  
36 controller for the State disability benefits fund as established by law,  
37 in accordance with such regulations as may be prescribed, and shall  
38 not be deducted, in whole or in part, from the remuneration of  
39 individuals in his employ. In the payment of any contributions, a  
40 fractional part of a cent shall be disregarded unless it amounts to  
41 \$0.005 or more, in which case it shall be increased to \$0.01.

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

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

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

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

32       (D) Prior to July 1 of each calendar year, the controller shall make  
33 a preliminary determination of the rate of contribution for the 12  
34 months commencing on such July 1 for each employer subject to the  
35 contribution requirements of this subsection (e).

36       (1) Such preliminary rate shall be 1/2 of 1% unless on the  
37 preceding January 31 of such year such employer shall have been a  
38 covered employer who has paid contributions to the State disability  
39 benefits fund with respect to employment in the three calendar years  
40 immediately preceding such year.

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

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

1       (ii) 15/100 of 1% if such excess over \$500.00 equals or exceeds 1  
2 1/4% but is less than 1 1/2% of his average annual payroll;  
3       (iii) 1/10 of 1% if such excess over \$500.00 equals or exceeds 1  
4 1/2% of his average annual payroll.

5       (3) If the minimum requirements in (1) above have been fulfilled  
6 and the contributions credited exceed the benefits charged but by not  
7 more than \$500.00 plus 1% of his average annual payroll, or if the  
8 benefits charged exceed the contributions credited but by not more  
9 than \$500.00, the preliminary rate shall be 1/4 of 1%.

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

13       (i) 35/100 of 1% if such excess over \$500.00 is less than 1/4 of 1%  
14 of his average annual payroll;

15       (ii) 45/100 of 1% if such excess over \$500.00 equals or exceeds  
16 1/4 of 1% but is less than 1/2 of 1% of his average annual payroll;

17       (iii) 55/100 of 1% if such excess over \$500.00 equals or exceeds  
18 1/2 of 1% but is less than 3/4 of 1% of his average annual payroll;

19       (iv) 65/100 of 1% if such excess over \$500.00 equals or exceeds  
20 3/4 of 1% but is less than 1% of his average annual payroll;

21       (v) 75/100 of 1% if such excess over \$500.00 equals or exceeds  
22 1% of his average annual payroll.

23       (5) Determination of the preliminary rate as specified in (2), (3)  
24 and (4) above shall be subject, however, to the condition that it shall  
25 in no event be decreased by more than 1/10 of 1% of wages or  
26 increased by more than 2/10 of 1% of wages from the preliminary rate  
27 determined for the preceding year in accordance with (1), (2), (3) or  
28 (4), whichever shall have been applicable.

29      (E) (1) Prior to July 1 of each calendar year the controller shall  
30 determine the amount of the State disability benefits fund as of  
31 December 31 of the preceding calendar year, increased by the  
32 contributions paid thereto during January of the current calendar year  
33 with respect to employment occurring in the preceding calendar year.  
34 If such amount exceeds the net amount withdrawn from the  
35 unemployment trust fund pursuant to section 23 of the "Temporary  
36 Disability Benefits Law," P.L.1948, c.110 (C.43:21-47) plus the  
37 amount at the end of such preceding calendar year of the  
38 unemployment disability account (as defined in section 22 of said law  
39 (C.43:21-46)), such excess shall be expressed as a percentage of the  
40 wages on which contributions were paid to the State disability benefits  
41 fund on or before January 31 with respect to employment in the  
42 preceding calendar year.

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

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

9       (ii) If the percentage determined in accordance with paragraph  
10 (E)(1) of this subsection equals or exceeds 3/4 of 1% and is less than  
11 1 1/4 of 1%, the final employer rates shall be the preliminary employer  
12 rates.

13       (iii) If the percentage determined in accordance with paragraph  
14 (E)(1) of this subsection is less than 3/4 of 1%, but in excess of 1/4 of  
15 1%, the final employer rates shall be the preliminary employer rates  
16 determined as provided in (D) hereof increased by the difference  
17 between 3/4 of 1% and such percentage taken to the nearest 5/100 of  
18 1%; provided, however, that no such final rate shall be more than 1/4  
19 of 1% in the case of an employer whose preliminary rate is determined  
20 as provided in (D)(2) hereof, more than 1/2 of 1% in the case of an  
21 employer whose preliminary rate is determined as provided in (D)(1)  
22 and (D)(3) hereof, nor more than 3/4 of 1% in the case of an employer  
23 whose preliminary rate is determined as provided in (D)(4) hereof.

24       (iv) If the amount of the State disability benefits fund determined  
25 as provided in paragraph (E)(1) of this subsection is equal to or less  
26 than 1/4 of 1%, then the final rate shall be 2/5 of 1% in the case of an  
27 employer whose preliminary rate is determined as provided in (D)(2)  
28 hereof, 7/10 of 1% in the case of an employer whose preliminary rate  
29 is determined as provided in (D)(1) and (D)(3) hereof, and 1.1% in the  
30 case of an employer whose preliminary rate is determined as provided  
31 in (D)(4) hereof. Notwithstanding any other provision of law or any  
32 determination made by the controller with respect to any 12-month  
33 period commencing on July 1, 1970, the final rates for all employers  
34 for the period beginning January 1, 1971, shall be as set forth herein.  
35 (cf: P.L.1996, c.30, s.6)

36

37       <sup>23.</sup> R.S. 43:21-14 is amended to read as follows:

38       43:21-14. (a)(1) In addition to such reports as may be required  
39 under the provisions of subsection (g) of R.S.43:21-11, every  
40 employer shall file with the controller periodical contribution reports  
41 on such forms and at such times as the controller shall prescribe, to  
42 disclose the employer's liability for contributions under the provisions  
43 of this chapter (R.S.43:21-1 et seq.), and at the time of filing each  
44 contribution report shall pay the contributions required by this chapter  
45 (R.S.43:21-1 et seq.), for the period covered by such report. The  
46 controller may require that such reports shall be under oath of the

1 employer. Any employer who shall fail to file any report, required by  
2 the controller, on or before the last day for the filing thereof shall pay  
3 a penalty of \$5.00 for each day of delinquency until and including the  
4 fifth day following such last day and for any period of delinquency  
5 after such fifth day, a penalty of \$5.00 a day or 20% of the amount of  
6 the contributions due and payable by the employer for the period  
7 covered by the report, whichever is the lesser; if there be no liability  
8 for contributions for the period covered by any contribution report or  
9 in the case of any report other than a contribution report, the employer  
10 or employing unit shall pay a penalty of \$5.00 a day for each day of  
11 delinquency in filing or \$25.00, whichever is the lesser; provided,  
12 however, that when it is shown to the satisfaction of the controller that  
13 the failure to file any such report was not the result of fraud or an  
14 intentional disregard of this chapter (R.S.43:21-1 et seq.), or the  
15 regulations promulgated hereunder, the controller, in his discretion,  
16 may remit or abate any unpaid penalties heretofore or hereafter  
17 imposed under this section. On or before October 1 of each year, the  
18 controller shall submit to the Commissioner of Labor a report covering  
19 the 12-month period ending on the preceding June 30, and showing the  
20 names and addresses of all employers for whom the controller remitted  
21 or abated any penalties, or ratified any remission or abatement of  
22 penalties, and the amount of such penalties with respect to each  
23 employer. Any employer who shall fail to pay the contributions due for  
24 any period, on or before the date they are required by the controller to  
25 be paid, shall pay interest on the amount thereof from such date until  
26 the date of payment thereof, at the rate of 1% a month through June  
27 30, 1981 and at the rate of 1 1/4% a month after June 30, 1981. Upon  
28 the written request of any employer or employing unit, filed with the  
29 controller on or before the due date of any report or contribution  
30 payment, the controller, for good cause shown, may grant, in writing,  
31 an extension of time for the filing of such report or the paying of such  
32 contribution, with interest at the applicable rate; provided no such  
33 extension shall exceed 30 days and that no such extension shall  
34 postpone payment of any contribution for any period beyond the day  
35 preceding the last day for filing tax returns under Title IX of the  
36 federal Social Security Act for the year in which said period occurs.

37 (2)(A) For the calendar quarter commencing July 1, 1984 and each  
38 successive quarter thereafter, each employer shall file a report with the  
39 controller within 30 days after the end of each quarter in a form and  
40 manner prescribed by the controller, listing the name, social security  
41 number and wages paid to each employee and the number of base  
42 weeks (as defined in subsection (t) of R.S.43:21-19) worked by the  
43 employee during the calendar quarter. (B) Any employer who fails  
44 without reasonable cause to comply with the reporting requirements  
45 of this paragraph (2) shall be liable for a penalty in the following  
46 amount for each employee with respect to whom the employer is

1 required to file a report but who is not included in the report or for  
2 whom the required information is not accurately reported for each  
3 employee required to be included, whether or not the employee is  
4 included:

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

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

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

12     (C) Information reported by employers as requested by this  
13 paragraph (2) shall be used by the Department of Labor for the  
14 purpose of determining eligibility for benefits of individuals in  
15 accordance with the provisions of R.S.43:21-1 et seq.  
16 Notwithstanding the provisions of subsection (g) of R.S.43:21-11, the  
17 Department of Labor is hereby authorized to provide the Department  
18 of Human Services and the Higher Education Assistance Authority  
19 with information reported by employers as required by this paragraph  
20 (2). For each fiscal year, the Director of the Division of Budget and  
21 Accounting of the Department of the Treasury shall charge the  
22 appropriate account of the Department of Human Services and the  
23 Higher Education Assistance Authority in amounts sufficient to  
24 reimburse the Department of Labor for the cost of providing  
25 information under this subparagraph (C).

26     (D) For the purpose of administering the provisions of this  
27 paragraph (2), all appropriations, files, books, papers, records,  
28 equipment and other property, and employees currently assigned to the  
29 Division of Taxation for the implementation of the "Wage Reporting  
30 Act," P.L.1980, c.48 (C.54:1-55 et seq.), shall be transferred to the  
31 Department of Labor as of September 1, 1984 in accordance with the  
32 provisions of the "State Agency Transfer Act," P.L.1971, c.375  
33 (C.52:14D-1 et seq.).

34     (b) The contributions, penalties, and interest due from any  
35 employer under the provisions of this chapter (R.S.43:21-1 et seq.),  
36 from the time they shall be due, shall be a personal debt of the  
37 employer to the State of New Jersey, recoverable in any court of  
38 competent jurisdiction in a civil action in the name of the State of New  
39 Jersey; provided, however, that except in the event of fraud, no  
40 employer shall be liable for contributions or penalties unless  
41 contribution reports have been filed or assessments have been made in  
42 accordance with subsection (c) or (d) of this section before four years  
43 have elapsed from the last day of the calendar year with respect to  
44 which any contributions become payable under this chapter  
45 (R.S.43:21-1 et seq.), nor shall any employer be required to pay  
46 interest on any such contribution unless contribution reports were filed

1 or assessments made within such four-year period; provided further  
2 that if such contribution reports were filed or assessments made within  
3 the four-year period, no civil action shall be instituted, nor shall any  
4 certificate be issued to the Clerk of the Superior Court under  
5 subsection (e) of this section, except in the event of fraud, after six  
6 years have elapsed from the last day of the calendar year with respect  
7 to which any contributions become payable under this chapter  
8 (R.S.43:21-1 et seq.), or July 1, 1958, whichever is later. Payments  
9 received from an employer on account of any debt incurred under the  
10 provisions of this chapter (R.S.43:21-1 et seq.) may be applied by the  
11 controller on account of the contribution liability of the employer and  
12 then to interest and penalties, and any balance remaining shall be  
13 recoverable by the controller from the employer. Upon application  
14 therefor, the controller shall furnish interested persons and entities  
15 certificates of indebtedness covering employers, employing units and  
16 others for contributions, penalties and interest, for each of which  
17 certificates the controller shall charge and collect a fee of \$2.00 per  
18 name; no such certificate to be issued, however, for a fee of less than  
19 \$10.00. All fees so collected shall be paid into the unemployment  
20 compensation administration fund.

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

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

38 (e) As an additional remedy, the controller may issue to the Clerk  
39 of the Superior Court of New Jersey a certificate stating the amount  
40 of the employer's indebtedness under this chapter (R.S.43:21-1 et seq.)  
41 and describing the liability, and thereupon the clerk shall immediately  
42 enter upon his record of docketed judgments such certificate or an  
43 abstract thereof and duly index the same. Any such certificate or  
44 abstract, heretofore or hereafter docketed, from the time of docketing  
45 shall have the same force and effect as a judgment obtained in the  
46 Superior Court of New Jersey, and the controller shall have all the

1   remedies and may take all the proceedings for the collection thereof  
2   which may be had or taken upon the recovery of such a judgment in a  
3   civil action upon contract in said court. Such debt, from the time of  
4   docketing thereof, shall be a lien on and bind the lands, tenements and  
5   hereditaments of the debtor.

6       The Clerk of the Superior Court shall be entitled to receive for  
7   docketing such certificate, \$0.50, and for a certified transcript of such  
8   docket, \$0.50. If the amount set forth in said certificate as a debt shall  
9   be modified or reversed upon review, as hereinafter provided, the  
10   Clerk of the Superior Court shall, when an order of modification or  
11   reversal is filed, enter in the margin of the docket opposite the entry  
12   of the judgment, the word "modified" or "reversed," as the case may  
13   be, and the date of such modification or reversal.

14      The employer, or any other party having an interest in the property  
15   upon which the debt is a lien, may deposit the amount claimed in the  
16   certificate with the Clerk of the Superior Court of New Jersey,  
17   together with an additional 10% of the amount thereof, or \$100.00,  
18   whichever amount is the greater, to cover interest and the costs of  
19   court, or in lieu of depositing the amount in cash, may give a bond to  
20   the State of New Jersey in double the amount claimed in the  
21   certificate, and file the same with the Clerk of the Superior Court. Said  
22   bond shall have such surety and shall be approved in the manner  
23   required by the Rules Governing the Courts of the State of New  
24   Jersey.

25      After the deposit of said money or the filing of said bond, the  
26   employer, or any other party having an interest in the said property,  
27   may, after exhausting all administrative remedies, secure judicial  
28   review of the legality or validity of the indebtedness or the amount  
29   thereof, and the said deposit of cash shall be as security for, and the  
30   bond shall be conditioned to prosecute, the judicial review with effect.

31      Upon the deposit of said money or the filing of the said bond with  
32   the Clerk of the Superior Court, all proceedings on such judgment  
33   shall be stayed until the final determination of the cause, and the  
34   moneys so deposited shall be subject to the lien of the indebtedness  
35   and costs and interest thereon, and the lands, tenements, and  
36   hereditaments of said debtor shall forthwith be discharged from the  
37   lien of the State of New Jersey and no execution shall issue against the  
38   same by virtue of said judgment.

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

46      (f) If, not later than two years after the calendar year in which any

1 moneys were erroneously paid to or collected by the controller,  
2 whether such payments were voluntarily or involuntarily made or made  
3 under mistake of law or of fact, an employer, employing unit, or  
4 employee who has paid such moneys shall make application for an  
5 adjustment thereof, the said moneys shall, upon order of the controller,  
6 be either credited or refunded, without interest, from the appropriate  
7 fund. For like cause and within the same period, credit or refund may  
8 be so made on the initiative of the controller.

9 (g) All interest and penalties collected pursuant to this section shall  
10 be paid into a special fund to be known as the unemployment  
11 compensation auxiliary fund; all moneys in this special fund shall be  
12 deposited, administered and disbursed in the same manner and under  
13 the same conditions and requirements as is provided by law for other  
14 special funds in the State Treasury, and shall be expended, under  
15 legislative appropriation, for the purpose of aiding in defraying the  
16 cost of the administration of this chapter (R.S.43:21-1 et seq.); for the  
17 repayment of any interest bearing advances made from the federal  
18 unemployment account pursuant to the provisions of section 1202(b)  
19 of the Social Security Act, 42 U.S.C. 1322; and for essential and  
20 necessary expenditures in connection with programs designed to  
21 stimulate employment, as determined by the Commissioner of Labor,  
22 except that any moneys in this special fund [which are not otherwise  
23 appropriated] shall be first applied to aiding in the defraying of  
24 necessary costs of the administration of this chapter (R.S.43:21-1 et  
25 seq.) as determined by the Commissioner of Labor. The Treasurer of  
26 the State shall be ex officio the treasurer and custodian of this special  
27 fund and, subject to legislative appropriation, shall administer the fund  
28 in accordance with the directions of the controller. Any balances in  
29 this fund shall not lapse at any time, but shall be continuously  
30 available, subject to legislative appropriation, to the controller for  
31 expenditure. The State Treasurer shall give a separate and additional  
32 bond conditioned upon the faithful performance of his duties in  
33 connection with the unemployment compensation auxiliary fund, in an  
34 amount to be fixed by the division, the premiums for such bond to be  
35 paid from the moneys in the said special fund.<sup>2</sup>

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

37

38 <sup>2</sup>4. R.S.43:21-16 is amended to read as follows:

39 43:21-16. (a) Whoever makes a false statement or representation,  
40 knowing it to be false, or knowingly fails to disclose a material fact,  
41 to obtain or increase or attempts to obtain or increase any benefit or  
42 other payment under this chapter (R.S.43:21-1 et seq.), or under an  
43 employment security law of any other state or of the federal  
44 government, either for himself or for any other person, shall be liable  
45 to a fine of \$20.00 for each offense, or 25% of the amount  
46 fraudulently obtained, whichever is greater, to be recovered in an

1 action at law in the name of the Division of Unemployment and  
2 Temporary Disability Insurance of the Department of Labor of the  
3 State of New Jersey or as provided in subsection (e) of R.S.43:21-14,  
4 said fine when recovered to be paid to the unemployment  
5 compensation auxiliary fund for the use of said fund; and each such  
6 false statement or representation or failure to disclose a material fact  
7 shall constitute a separate offense. Any penalties imposed by this  
8 subsection shall be in addition to those otherwise prescribed in this  
9 chapter (R.S.43:21-1 et seq.).

10 (b) (1) An employing unit or any officer or agent of an employing  
11 unit or any other person who makes a false statement or  
12 representation, knowing it to be false, or who knowingly fails to  
13 disclose a material fact, to prevent or reduce the payment of benefits  
14 to any individual entitled thereto or to avoid becoming or remaining  
15 subject hereto or to avoid or reduce any contribution or other payment  
16 required from an employing unit under this chapter (R.S.43:21-1 et  
17 seq.), or under an employment security law of any other state or of the  
18 federal government, or who willfully fails or refuses to furnish any  
19 reports required hereunder (except for such reports as may be required  
20 under subsection (b) of R.S.43:21-6) or to produce or permit the  
21 inspection or copying of records, as required hereunder, shall be liable  
22 to a fine of \$100.00, to be recovered in an action at law in the name  
23 of the Division of Unemployment and Temporary Disability Insurance  
24 of the Department of Labor of the State of New Jersey or as provided  
25 in subsection (e) of R.S.43:21-14, said fine when recovered to be paid  
26 to the unemployment compensation auxiliary fund for the use of said  
27 fund; and each such false statement or representation or failure to  
28 disclose a material fact, and each day of such failure or refusal shall  
29 constitute a separate offense. Any penalties imposed by this paragraph  
30 shall be in addition to those otherwise prescribed in this chapter  
31 (R.S.43:21-1 et seq.).

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

46 (c) Any person who shall willfully violate any provision of this

1 chapter (R.S.43:21-1 et seq.) or any rule or regulation thereunder, the  
2 violation of which is made unlawful or the observance of which is  
3 required under the terms of this chapter (R.S.43:21-1 et seq.), and for  
4 which a penalty is neither prescribed herein nor provided by any other  
5 applicable statute, shall be liable to a fine of \$50.00, to be recovered  
6 in an action at law in the name of the Division of Unemployment and  
7 Temporary Disability Insurance of the Department of Labor of the  
8 State of New Jersey or as provided in subsection (e) of R.S.43:21-14,  
9 said fine when recovered to be paid to the unemployment  
10 compensation auxiliary fund for the use of said fund; and each day  
11 such violation continues shall be deemed to be a separate offense.

12 (d) (1) When it is determined by a representative or  
13 representatives designated by the Director of the Division of  
14 Unemployment and Temporary Disability Insurance of the Department  
15 of Labor of the State of New Jersey that any person, whether (i) by  
16 reason of the nondisclosure or misrepresentation by him or by another  
17 of a material fact (whether or not such nondisclosure or  
18 misrepresentation was known or fraudulent), or (ii) for any other  
19 reason, has received any sum as benefits under this chapter  
20 (R.S.43:21-1 et seq.) while any conditions for the receipt of benefits  
21 imposed by this chapter (R.S.43:21-1 et seq.) were not fulfilled in his  
22 case, or while he was disqualified from receiving benefits, or while  
23 otherwise not entitled to receive such sum as benefits, such person,  
24 unless the director (with the concurrence of the controller) directs  
25 otherwise by regulation, shall be liable to repay those benefits in full.  
26 The sum shall be deducted from any future benefits payable to the  
27 individual under this chapter (R.S.43:21-1 et seq.) or shall be paid by  
28 the individual to the division for the unemployment compensation  
29 fund, and such sum shall be collectible in the manner provided for by  
30 law, including, but not limited to, the filing of a certificate of debt with  
31 the Clerk of the Superior Court of New Jersey; provided, however,  
32 that, except in the event of fraud, no person shall be liable for any such  
33 refunds or deductions against future benefits unless so notified before  
34 four years have elapsed from the time the benefits in question were  
35 paid. Such person shall be promptly notified of the determination and  
36 the reasons therefor. Unless such person, within seven calendar days  
37 after the delivery of such determination, or within 10 calendar days  
38 after such notification was mailed to his last-known address, files an  
39 appeal from such determination, such determination shall be final.

40 (2) Interstate and cross-offset of state and federal unemployment  
41 benefits. To the extent permissible under the laws and Constitution of  
42 the United States, the commissioner is authorized to enter into or  
43 cooperate in arrangements or reciprocal agreements with appropriate  
44 and duly authorized agencies of other states or the United States  
45 Secretary of Labor, or both, whereby:

46 (A) Overpayments of unemployment benefits as determined under

1 subsection (d) of R.S.43:21-16 shall be recovered by offset from  
2 unemployment benefits otherwise payable under the unemployment  
3 compensation law of another state, and overpayments of  
4 unemployment benefits as determined under the unemployment  
5 compensation law of another state shall be recovered by offset from  
6 unemployment benefits otherwise payable under R.S.43:21-1 et seq.;  
7 and

8 (B) Overpayments of unemployment benefits as determined under  
9 applicable federal law, with respect to benefits or allowances for  
10 unemployment provided under a federal program administered by this  
11 State under an agreement with the United States Secretary of Labor,  
12 shall be recovered by offset from unemployment benefits otherwise  
13 payable under R.S.43:21-1 et seq., or any federal program  
14 administered by this State, or under the unemployment compensation  
15 law of another state or any federal unemployment benefit or allowance  
16 program administered by another state under an agreement with the  
17 United States Secretary of Labor, if the other state has in effect a  
18 reciprocal agreement with the United States Secretary of Labor as  
19 authorized by subsection (g) of 42 U.S.C. s.503, and if the United  
20 States agrees, as provided in the reciprocal agreement with this State  
21 entered into under subsection (g) of 42 U.S.C. s. 503, that  
22 overpayments of unemployment benefits as determined under  
23 subsection (d) of R.S.43:21-16 and overpayments as determined under  
24 the unemployment compensation law of another state which has in  
25 effect a reciprocal agreement with the United States Secretary of  
26 Labor as authorized by subsection (g) of 42 U.S.C. s.503, shall be  
27 recovered by offset from benefits or allowances otherwise payable  
28 under a federal program administered by this State or another state  
29 under an agreement with the United States Secretary of Labor.

30 (e) Any employing unit, or any officer or agent of an employing  
31 unit, which officer or agent is directly or indirectly responsible for  
32 collecting, truthfully accounting for, remitting when payable any  
33 contribution, or filing or causing to be filed any report or statement  
34 required by this chapter, or employer, or person failing to remit, when  
35 payable, any employer contributions, or worker contributions (if  
36 withheld or deducted), or the amount of such worker contributions (if  
37 not withheld or deducted), or filing or causing to be filed with the  
38 controller or the Division of Unemployment and Temporary Disability  
39 Insurance of the Department of Labor of the State of New Jersey, any  
40 false or fraudulent report or statement, and any person who aids or  
41 abets an employing unit, employer, or any person in the preparation or  
42 filing of any false or fraudulent report or statement with intent to  
43 defraud the State of New Jersey or an employment security agency of  
44 any other state or of the federal government, or with intent to evade  
45 the payment of any contributions, interest or penalties, or any part  
46 thereof, which shall be due under the provisions of this chapter

1 (R.S.43:21-1 et seq.), shall be liable for each offense upon conviction  
2 before any Superior Court or municipal court, to a fine not to exceed  
3 \$1,000.00 or by imprisonment for a term not to exceed 90 days, or  
4 both, at the discretion of the court. The fine upon conviction shall be  
5 payable to the unemployment compensation auxiliary fund. Any  
6 penalties imposed by this subsection shall be in addition to those  
7 otherwise prescribed in this chapter (R.S.43:21-1 et seq.).

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

19 (g) There shall be created in the Division of Unemployment and  
20 Temporary Disability Insurance of the Department of Labor of the  
21 State of New Jersey an investigative staff for the purpose of  
22 investigating violations referred to in this section and enforcing the  
23 provisions thereof.

24 (h) An employing unit or any officer or agent of an employing unit  
25 who makes a false statement or representation, knowing it to be false,  
26 or who knowingly fails to disclose a material fact, to reduce benefit  
27 charges to the employing unit pursuant to paragraph (1) of subsection  
28 (c) of R.S.43:21-7, shall be liable to a fine of \$1,000, to be recovered  
29 in an action at law in the name of the Division of Unemployment and  
30 Temporary Disability Insurance of the Department of Labor of the  
31 State of New Jersey or as provided in subsection (e) of R.S.43:21-14.  
32 The fine when recovered shall be paid to the unemployment  
33 compensation auxiliary fund for the use of the fund. Each false  
34 statement or representation or failure to disclose a material fact, and  
35 each day of that failure or refusal shall constitute a separate offense.  
36 Any penalties imposed by this subsection shall be in addition to those  
37 otherwise prescribed in R.S.43:21-1 et seq.<sup>2</sup>

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

39

40 <sup>1</sup>[2.] <sup>2</sup>[3.] <sup>5.</sup><sup>2</sup> This act shall take effect immediately.

41

42

43

44 Eliminates charges against UI accounts of employers who do not lay  
45 off claimants.