

SENATE COMMERCE COMMITTEE

STATEMENT TO

SENATE, No. 2004

STATE OF NEW JERSEY

DATED: NOVEMBER 24, 1997

The Senate Commerce Committee reports favorably Senate Bill No. 2004.

This bill provides that direct sellers are not employees under the provisions of the workers' compensation law. Under federal law, a direct seller is defined as a person: who engages in the trade or occupation of selling consumer products in the home or otherwise than in a permanent retail establishment; whose remuneration for the performance of services is directly related to sales or other output rather than to the number of hours worked; and who performs the services under a written contract which provides that the person will not be treated as an employee with respect to those services.