

[First Reprint]

ASSEMBLY, No. 5691

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED MAY 12, 2021

Sponsored by:

Assemblyman LOUIS D. GREENWALD

District 6 (Burlington and Camden)

Assemblywoman CAROL A. MURPHY

District 7 (Burlington)

Assemblyman ANTHONY S. VERRELLI

District 15 (Hunterdon and Mercer)

Co-Sponsored by:

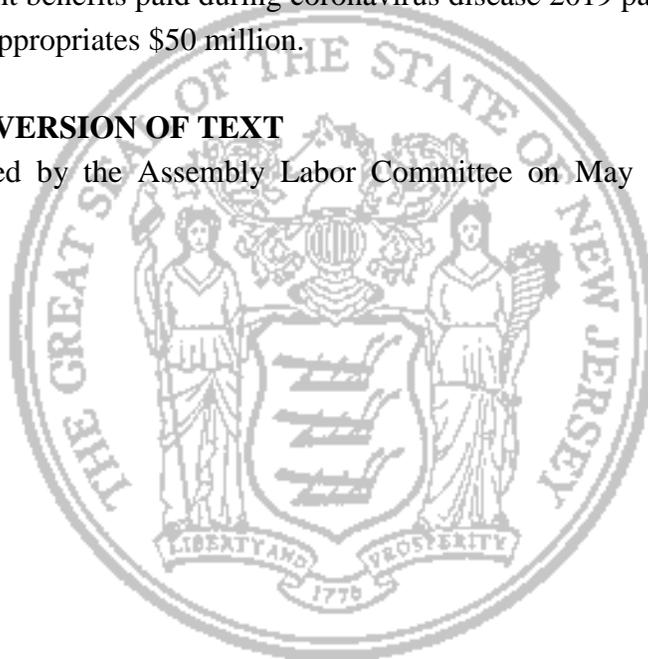
Assemblymen Benson, Wirths, Johnson, Spearman and Assemblywoman Reynolds-Jackson

SYNOPSIS

Concerns liability of certain non-profit and governmental employers for unemployment benefits paid during coronavirus disease 2019 pandemic state of emergency; appropriates \$50 million.

CURRENT VERSION OF TEXT

As reported by the Assembly Labor Committee on May 17, 2021, with amendments.



(Sponsorship Updated As Of: 6/16/2021)

1 AN ACT concerning the liability of certain non-profit and
2 governmental employers for unemployment benefits paid during
3 coronavirus disease 2019 pandemic state of emergency,
4 amending P.L.2020, c.150, and making an appropriation.

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

8
9 1. Section 1 of P.L.2020, c.150 (C.43:21-7.9) is amended to
10 read as follows:

11 1. a. The costs of any unemployment compensation benefits
12 paid to employees of an employer during the public health
13 emergency and state of emergency declared by the Governor on
14 March 9, 2020, and any subsequent extensions of that public health
15 emergency and state of emergency, shall not be considered when
16 calculating that employer's reserve ratio for the purposes of
17 determining the rate of the employer's contributions to the State
18 unemployment compensation fund pursuant to R.S.43:21-7.

19 b. Any employer that is a nonprofit organization which elects
20 to make payments in lieu of contributions pursuant to section 3 of
21 P.L.1971, c.346 (C.43:21-7.2) [and any] or is a governmental
22 entity or instrumentality which elects to make payments in lieu of
23 contributions pursuant to section 4 of P.L.1971, c.346 (C.43:21-
24 7.3), shall not be liable for payments in lieu of contributions with
25 respect to [only 50% of] the payments of unemployment
26 compensation benefits made pursuant to either of those two sections
27 during the public health emergency and state of emergency declared
28 by the Governor on March 9, 2020, and any subsequent extensions
29 of that public health emergency and state of emergency, except that
30 the employer shall be required to make payments in lieu of
31 contributions from any available funds held in trust for that purpose
32 from contributions made by its employees. Any portion of the
33 payments of unemployment benefits which are not paid from the
34 employee contributions held in trust or from funds provided by the
35 federal government pursuant to the federal CARES Act, public law
36 116-136, pursuant to section 9012 of the American Rescue Plan Act
37 of 2021, or pursuant to any other applicable federal law, shall not
38 result in a liability for the employer but shall be regarded as State
39 liability relief to the employer and shall be paid from the
40 unemployment compensation fund. Any reimbursing employer
41 who, prior to the effective date of this act, made payments in lieu of
42 contributions during the public health emergency shall be entitled to
43 a reimbursement from the unemployment compensation fund of all
44 of those payments in lieu of contributions made during this period,
45 except that the employer shall not be reimbursed for payments made

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly ALA committee amendments adopted May 17, 2021.

1 in lieu of contributions from funds held in trust for that purpose
2 from contributions made by its employees.

3 (cf: P.L.2020, c.150, s.1)

4

5 2. ¹【There is appropriated from the General Fund the sum of
6 \$50 million to】 a. From the funds provided by the federal
7 government in connection with the COVID-19 pandemic pursuant
8 to the federal “CARES Act,” Pub.L.116-136, pursuant to section
9 9012 of the “American Rescue Plan Act of 2021,” Pub.L.117-2, or
10 pursuant to any other applicable federal law, any portions of those
11 funds which are available and permitted by those laws shall¹ be
12 used ¹as needed¹ to reimburse the unemployment compensation
13 fund for any costs of providing State liability relief to employers
14 pursuant to subsection b. of section 1 of P.L.2020, c.150 (C.43:21-
15 7.9).

16 ¹b. There is appropriated from the General Fund any sum not
17 exceeding \$50 million which, after available amounts are used
18 pursuant to subsection a. of this section, is still required to
19 reimburse the unemployment compensation fund to pay any
20 remaining costs of providing State liability relief to employers
21 pursuant to subsection b. of section 1 of P.L.2020, c.150 (C.43:21-
22 7.9).¹

23

24 3. This act shall take effect immediately.