

[Second 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:

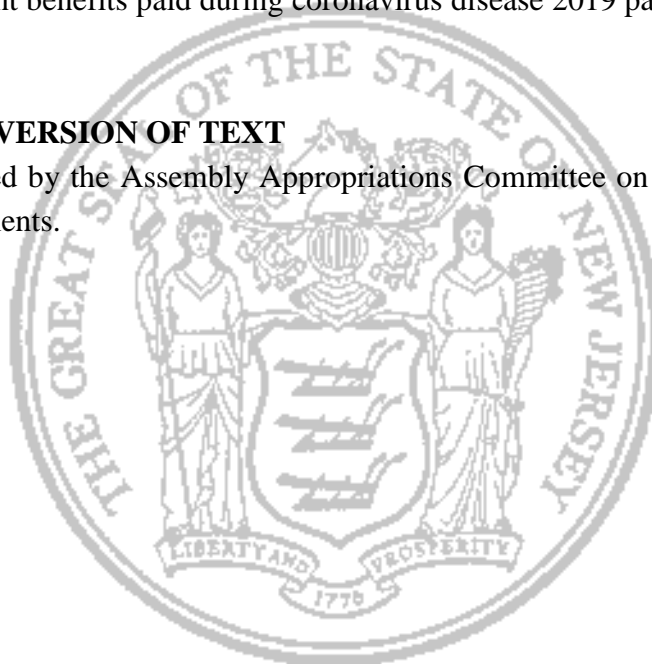
Assemblymen Benson, Wirths, Johnson, Spearman and Assemblywoman Reynolds-Jackson

SYNOPSIS

Concerns liability of certain non-profit and governmental employers for unemployment benefits paid during coronavirus disease 2019 pandemic state of emergency.

CURRENT VERSION OF TEXT

As reported by the Assembly Appropriations Committee on June 16, 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, ²and²
 4 amending P.L.2020, c.150²[, and making an appropriation]².
 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.

²Assembly AAP committee amendments adopted June 16, 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. ¹There is appropriated from the General Fund the sum of \$50
6 million to ²~~a.~~² From the funds provided by the federal government
7 in connection with the COVID-19 pandemic pursuant to the federal
8 CARES Act, Pub.L.116-136, pursuant to section 9012 of the American
9 Rescue Plan Act of 2021, Pub.L.117-2, or pursuant to any other
10 applicable federal law, any portions of those funds which are available
11 and permitted by those laws ²~~shall~~¹ may² be used ¹as needed¹ to
12 reimburse the unemployment compensation fund for any costs of
13 providing State liability relief to employers pursuant to subsection b.
14 of section 1 of P.L.2020, c.150 (C.43:21-7.9).

15 ²~~a.~~¹ b. There is appropriated from the General Fund any sum not
16 exceeding \$50 million which, after available amounts are used
17 pursuant to subsection a. of this section, is still required to reimburse
18 the unemployment compensation fund to pay any remaining costs of
19 providing State liability relief to employers pursuant to subsection b.
20 of section 1 of P.L.2020, c.150 (C.43:21-7.9). ¹~~shall~~²

21
22 3. This act shall take effect immediately.