

SENATE LABOR COMMITTEE

STATEMENT TO

SENATE, No. 3215

with committee amendments

STATE OF NEW JERSEY

DATED: FEBRUARY 9, 2023

The Senate Labor Committee reports favorably, with committee amendments, Senate Bill, No. 3215.

As amended, the bill modifies conditions under which employees involved in a labor dispute may obtain unemployment insurance (UI) benefits. The bill:

1. Permits the payment of UI benefits during an employer lockout even if there was not a strike immediately preceding the lockout;
2. Decreases from 30 days to 14 days the period of time following the commencement of unemployment caused by a labor dispute before which UI benefits may be paid, but specifies that benefits be paid to claimants immediately, even during the 14-day period, if replacement workers are hired to take positions of the claimants, whether or not the replacement workers are purported to be “permanent”, and removes the penalty of up to \$750 per week against employers who state that a replacement worker is not “permanent” but fails to rehire the replaced worker when the dispute ends;
3. Provides that the 14-day waiting period does not apply if the labor dispute has not resulted in a stoppage of work and does not apply whenever the employer engages the services of a replacement worker for the claimant's position, whether on a permanent or temporary basis, or uses an existing worker reassigned permanently or temporarily to perform duties of the claimant; and
4. Clarifies that there is no disqualification of a claim due to a labor dispute if an issue in the labor dispute is a failure or refusal of the employer to comply with an agreement or contract between the employer and the claimant, including a collective bargaining agreement with a union representing the claimant, or a failure or refusal to comply with a State or federal law pertaining to hours, wages, or other conditions of work, even if the failure or refusal is not the only issue in the labor dispute.

Committee Amendments:

The amendments adopted by the committee:

1. remove the definition of stoppage of work as only stoppages in which it is documented that production is reduced by 20 percent or

more, thus permitting the payment of benefits even if there is no reduction of production;

2. provide that the bill's 14-day waiting period before benefits are paid during a labor dispute no longer applies when the employer engages the services of a replacement worker for the claimant's position, whether on a permanent or temporary basis, or uses an existing worker reassigned permanently or temporarily to perform duties of the claimant;

3. provide that the 14-day waiting period does not apply if the labor dispute has not resulted in a stoppage of work; and

4. expressly provide that the bill applies retroactively to claims made after December 31, 2021.

As amended, the bill is identical to A-4772(2R).