

[First Reprint]

ASSEMBLY, No. 3104

STATE OF NEW JERSEY
211th LEGISLATURE

INTRODUCED JUNE 14, 2004

Sponsored by:

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District 18 (Middlesex)

Assemblyman JOHN J. BURZICHELLI

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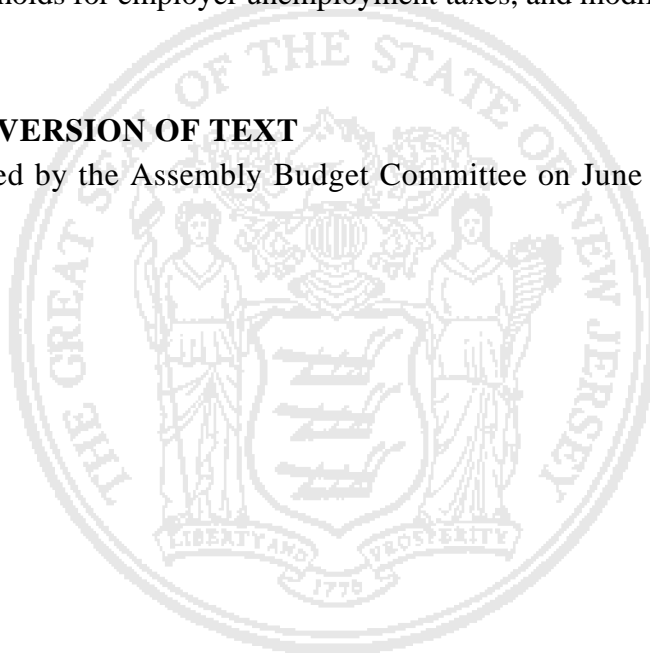
Assemblyman Fisher, Senators Kenny and Sweeney

SYNOPSIS

Redirects \$100 million in unemployment taxes to Health Care Subsidy Fund, changes thresholds for employer unemployment taxes, and modifies UI benefits.

CURRENT VERSION OF TEXT

As reported by the Assembly Budget Committee on June 17, 2004, with amendments.



(Sponsorship Updated As Of: 6/25/2004)

1 AN ACT ¹[redirecting \$100 million in payroll taxes from the
2 unemployment compensation fund to the Health Care Subsidy
3 Fund, changing the thresholds for employer unemployment tax
4 schedules and amending P.L.1992, c.160 and R.S.43:21-7]
5 concerning the provision and funding of services and benefits for
6 certain persons and revising parts of the statutory law¹.
7

8 **BE IT ENACTED** by the Senate and General Assembly of the State
9 of New Jersey:

10
11 ¹1. R.S.43:21-3 is amended to read as follows:

12 43:21-3. Benefits.

13 (a) Payment of benefits.

14 All benefits shall be promptly paid from the fund in accordance with
15 such regulations as may be prescribed hereunder.

16 (b) Weekly benefits for unemployment.

17 With respect to an individual's benefit year commencing on or after
18 July 1, 1961, such individual, if eligible and unemployed (as defined in
19 subsection (m) of R.S.43:21-19), shall be paid an amount (except as
20 to final payment) equal to his weekly benefit rate less any
21 remuneration, other than remuneration from self-employment paid to
22 an individual who is receiving a self-employment assistance allowance,
23 paid or payable to him for such week in excess of 20% of his weekly
24 benefit rate (fractional part of a dollar omitted) or \$5.00, whichever is
25 the greater; provided that such amount shall be computed to the next
26 lower multiple of \$1.00 if not already a multiple thereof.

27 (c) Weekly benefit rate.

28 (1) With respect to an individual whose benefit year commences
29 after September 30, 1984, his weekly benefit rate under each
30 determination shall be 60% of his average weekly wage, subject to a
31 maximum of 56 2/3 % of the Statewide average weekly remuneration
32 paid to workers by employers subject to this chapter (R.S.43:21-1 et
33 seq.), as determined and promulgated by the Commissioner of Labor;
34 provided, however, that such individual's weekly benefit rate shall be
35 computed to the next lower multiple of \$1.00 if not already a multiple
36 thereof.

37 (2) Dependency benefits.

38 (A) With respect to an individual whose benefit year commences
39 after September 30, 1984, the individual's weekly benefit rate as
40 determined in paragraph (1) of this subsection (c) will be increased by
41 7% for the first dependent and 4% each for the next two dependents
42 (up to a maximum of three dependents), computed to the next lower
43 multiple of \$1.00 if not already a multiple thereof, except that the

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:

¹ Assembly ABU committee amendments adopted June 17, 2004.

1 maximum weekly benefit rate payable for an individual claiming
2 dependency benefits shall not exceed the maximum amount determined
3 under paragraph (1) of this subsection (c).

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

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

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

25 (i) All married individuals claiming dependents under this paragraph
26 (2) shall be required to provide the social security number of the
27 individual's spouse. If the individual indicates that the spouse is
28 unemployed, the division shall match the social security number of the
29 spouse against available wage records to determine whether earnings
30 were reported on the last quarterly earnings report filed by employers
31 under R.S.43:21-14. If earnings were reported, the division shall
32 contact in writing the last employer to determine whether the spouse
33 is currently employed.

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

38 (3) For the purposes of this subsection (c), the "Statewide average
39 weekly remuneration paid to workers by employers" shall be computed
40 and determined by the Commissioner of Labor on or before September
41 1 of each year on the basis of one-fifty-second of the total
42 remuneration reported for the preceding calendar year by employers
43 subject to this chapter, divided by the average of the number of
44 workers reported by such employers, and shall be effective as to
45 benefit determinations in the calendar year following such computation
46 and determination.

1 (d) Maximum total benefits.

2 (1) (A) (Deleted by amendment, P.L.2003, c.107).

3 (B) (i) With respect to an individual for whom benefits shall be
4 payable for benefit years commencing on or after July 1, 1986, and
5 before July 1, 2003[, and on or after July 1, 2005,] as provided in this
6 section, the individual shall be entitled to receive a total amount of
7 benefits equal to three-quarters of the individual's base weeks with all
8 employers in the base year multiplied by the individual's weekly benefit
9 rate; but the amount of benefits thus resulting under that determination
10 shall be adjusted to the next lower multiple of \$1.00 if not already a
11 multiple thereof. With respect to an individual for whom benefits shall
12 be payable for benefit years commencing on or after July 1, 2003 [and
13 before July 1, 2005,] as provided in this section, the individual shall
14 be entitled to receive a total amount of benefits equal to the number
15 of the individual's base weeks with all employers in the base year
16 multiplied by the individual's weekly benefit rate; but the amount of
17 benefits thus resulting under that determination shall be adjusted to the
18 next lower multiple of \$1.00 if not already a multiple thereof.

19 (ii) Except as provided pursuant to paragraph (1) of subsection (c)
20 of R.S.43:21-7, benefits paid to an individual for benefit years
21 commencing on or after July 1, 1986 shall be charged against the
22 accounts of the individual's base year employers in the following
23 manner:

24 Each week of benefits paid to an eligible individual shall be charged
25 against each base year employer's account in the same proportion that
26 the wages paid by each employer to the individual during the base year
27 bear to the wages paid by all employers to that individual during the
28 base year.

29 (iii) (Deleted by amendment, P.L.1997, c.255.)

30 (2) No such individual shall be entitled to receive benefits under this
31 chapter (R.S.43:21-1 et seq.) in excess of 26 times his weekly benefit
32 rate in any benefit year under either of subsections (c) and (f) of R.S.
33 43:21-4. In the event that any individual qualifies for benefits under
34 both of said subsections during any benefit year, the maximum total
35 amount of benefits payable under said subsections combined to such
36 individual during the benefit year shall be one and one-half times the
37 maximum amount of benefits payable under one of said subsections.

38 (3) (Deleted by amendment, P.L.1984, c.24.)

39 (cf: P.L.2003, c.107, s.2)

40

41 ¹[1.] 2.¹ R.S.43:21-7 is amended to read as follows:

42 43:21-7. Contributions. Employers other than governmental
43 entities, whose benefit financing provisions are set forth in section 4
44 of P.L.1971, c.346 (C.43:21-7.3), and those nonprofit organizations
45 liable for payment in lieu of contributions on the basis set forth in
46 section 3 of P.L.1971, c.346 (C.43:21-7.2), shall pay to the controller

1 for the unemployment compensation fund, contributions as set forth
2 in subsections (a), (b) and (c) hereof, and the provisions of subsections
3 (d) and (e) shall be applicable to all employers, consistent with the
4 provisions of the "unemployment compensation law" and the
5 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et
6 seq.).

7 (a) Payment.

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

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

19 (b) Rate of contributions. Each employer shall pay the following
20 contributions:

21 (1) For the calendar year 1947, and each calendar year thereafter,
22 $2\frac{7}{10}\%$ of wages paid by him during each such calendar year, except
23 as otherwise prescribed by subsection (c) of this section.

24 (2) The "wages" of any individual, with respect to any one
25 employer, as the term is used in this subsection (b) and in subsections
26 (c), (d) and (e) of this section 7, shall include the first \$4,800.00 paid
27 during calendar year 1975, for services performed either within or
28 without this State; provided that no contribution shall be required by
29 this State with respect to services performed in another state if such
30 other state imposes contribution liability with respect thereto. If an
31 employer (hereinafter referred to as a successor employer) during any
32 calendar year acquires substantially all the property used in a trade or
33 business of another employer (hereinafter referred to as a
34 predecessor), or used in a separate unit of a trade or business of a
35 predecessor, and immediately after the acquisition employs in his trade
36 or business an individual who immediately prior to the acquisition was
37 employed in the trade or business of such predecessors, then, for the
38 purpose of determining whether the successor employer has paid
39 wages with respect to employment equal to the first \$4,800.00 paid
40 during calendar year 1975, any wages paid to such individual by such
41 predecessor during such calendar year and prior to such acquisition
42 shall be considered as having been paid by such successor employer.

43 (3) For calendar years beginning on and after January 1, 1976, the
44 "wages" of any individual, as defined in the preceding paragraph (2)
45 of this subsection (b), shall be established and promulgated by the
46 Commissioner of Labor on or before September 1 of the preceding

1 year and shall be, 28 times the Statewide average weekly remuneration
2 paid to workers by employers, as determined under R.S.43:21-3(c),
3 raised to the next higher multiple of \$100.00 if not already a multiple
4 thereof, provided that if the amount of wages so determined for a
5 calendar year is less than the amount similarly determined for the
6 preceding year, the greater amount will be used; provided, further, that
7 if the amount of such wages so determined does not equal or exceed
8 the amount of wages as defined in subsection (b) of section 3306 of
9 the Federal Unemployment Tax Act, Chapter 23 of the Internal
10 Revenue Code of 1986 (26 U.S.C. s.3306(b)), the wages as
11 determined in this paragraph in any calendar year shall be raised to
12 equal the amount established under the Federal Unemployment Tax
13 Act for that calendar year.

14 (c) Future rates based on benefit experience.

15 (1) A separate account for each employer shall be maintained and
16 this shall be credited with all the contributions which he has paid on
17 his own behalf on or before January 31 of any calendar year with
18 respect to employment occurring in the preceding calendar year;
19 provided, however, that if January 31 of any calendar year falls on a
20 Saturday or Sunday, an employer's account shall be credited as of
21 January 31 of such calendar year with all the contributions which he
22 has paid on or before the next succeeding day which is not a Saturday
23 or Sunday. But nothing in this chapter (R.S.43:21-1 et seq.) shall be
24 construed to grant any employer or individuals in his service prior
25 claims or rights to the amounts paid by him into the fund either on his
26 own behalf or on behalf of such individuals. Benefits paid with respect
27 to benefit years commencing on and after January 1, 1953, to any
28 individual on or before December 31 of any calendar year with respect
29 to unemployment in such calendar year and in preceding calendar years
30 shall be charged against the account or accounts of the employer or
31 employers in whose employment such individual established base
32 weeks constituting the basis of such benefits, except that, with respect
33 to benefit years commencing after January 4, 1998, an employer's
34 account shall not be charged for benefits paid to a claimant if the
35 claimant's employment by that employer was ended in any way which,
36 pursuant to subsection (a), (b), (c), (f), (g) or (h) of R.S.43:21-5,
37 would have disqualified the claimant for benefits if the claimant had
38 applied for benefits at the time when that employment ended. Benefits
39 paid under a given benefit determination shall be charged against the
40 account of the employer to whom such determination relates. When
41 each benefit payment is made, either a copy of the benefit check or
42 other form of notification shall be promptly sent to the employer
43 against whose account the benefits are to be charged. Such copy or
44 notification shall identify the employer against whose account the
45 amount of such payment is being charged, shall show at least the name
46 and social security account number of the claimant and shall specify

1 the period of unemployment to which said check applies. If the total
2 amount of benefits paid to a claimant and charged to the account of
3 the appropriate employer exceeds 50% of the total base year, base
4 week wages paid to the claimant by that employer, then such employer
5 shall have canceled from his account such excess benefit charges as
6 specified above.

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

9 (2) Regulations may be prescribed for the establishment,
10 maintenance, and dissolution of joint accounts by two or more
11 employers, and shall, in accordance with such regulations and upon
12 application by two or more employers to establish such an account, or
13 to merge their several individual accounts in a joint account, maintain
14 such joint account as if it constituted a single employer's account.

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

20 (4) Employer Reserve Ratio. (A) Each employer's rate shall be 2
21 $8/10\%$, except as otherwise provided in the following provisions. No
22 employer's rate for the 12 months commencing July 1 of any calendar
23 year shall be other than $2\ 8/10\%$, unless as of the preceding January 31
24 such employer shall have paid contributions with respect to wages paid
25 in each of the three calendar years immediately preceding such year,
26 in which case such employer's rate for the 12 months commencing July
27 1 of any calendar year shall be determined on the basis of his record up
28 to the beginning of such calendar year. If, at the beginning of such
29 calendar year, the total of all his contributions, paid on his own behalf,
30 for all past years exceeds the total benefits charged to his account for
31 all such years, his contribution rate shall be:

32 (1) $2\ 5/10\%$, if such excess equals or exceeds 4%, but less than 5%,
33 of his average annual payroll (as defined in paragraph (2), subsection
34 (a) of R.S.43:21-19);

35 (2) $2\ 2/10\%$, if such excess equals or exceeds 5%, but is less than
36 6%, of his average annual payroll;

37 (3) $1\ 9/10\%$, if such excess equals or exceeds 6%, but is less than
38 7%, of his average annual payroll;

39 (4) $1\ 6/10\%$, if such excess equals or exceeds 7%, but is less than
40 8%, of his average annual payroll;

41 (5) $1\ 3/10\%$, if such excess equals or exceeds 8%, but is less than
42 9%, of his average annual payroll;

43 (6) 1%, if such excess equals or exceeds 9%, but is less than 10%,
44 of his average annual payroll;

45 (7) $7/10$ of 1%, if such excess equals or exceeds 10%, but is less
46 than 11%, of his average annual payroll;

1 (8) $\frac{4}{10}$ of 1%, if such excess equals or exceeds 11% of his average
2 annual payroll.

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

7 (1) 4%, if such excess is less than 10% of his average annual
8 payroll;

9 (2) $4\frac{3}{10}\%$, if such excess equals or exceeds 10%, but is less than
10 20%, of his average annual payroll;

11 (3) $4\frac{6}{10}\%$, if such excess equals or exceeds 20% of his average
12 annual payroll.

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

18 (i) if the reserve balance in its account is positive, its assigned rate
19 shall be the highest rate in effect for positive balance accounts for that
20 period, or 5.4%, whichever is higher, and (ii) if the reserve balance
21 in its account is negative, its assigned rate shall be the highest rate in
22 effect for deficit accounts for that period.

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

27 (5) (A) Unemployment Trust Fund Reserve Ratio. If on March 31
28 of any calendar year the balance in the unemployment trust fund equals
29 or exceeds 4% but is less than 7% of the total taxable wages reported
30 to the controller as of that date in respect to employment during the
31 preceding calendar year, the contribution rate, effective July 1
32 following, of each employer eligible for a contribution rate calculation
33 based upon benefit experience, shall be increased by $\frac{3}{10}$ of 1% over
34 the contribution rate otherwise established under the provisions of
35 paragraph (3) or (4) of this subsection. If on March 31 of any
36 calendar year the balance of the unemployment trust fund exceeds 2
37 $\frac{1}{2}\%$ but is less than 4% of the total taxable wages reported to the
38 controller as of that date in respect to employment during the
39 preceding calendar year, the contribution rate, effective July 1
40 following, of each employer eligible for a contribution rate calculation
41 based upon benefit experience, shall be increased by $\frac{6}{10}$ of 1% over
42 the contribution rate otherwise established under the provisions of
43 paragraph (3) or (4) of this subsection.

44 If on March 31 of any calendar year the balance of the
45 unemployment trust fund is less than 2 $\frac{1}{2}\%$ of the total taxable wages
46 reported to the controller as of that date in respect to employment

1 during the preceding calendar year, the contribution rate, effective July
2 1 following, of each employer (1) eligible for a contribution rate
3 calculation based upon benefit experience, shall be increased by (i)
4 $\frac{6}{10}$ of 1% over the contribution rate otherwise established under the
5 provisions of paragraph (3), (4)(A) or (4)(B) of this subsection, and
6 (ii) an additional amount equal to 20% of the total rate established
7 herein, provided, however, that the final contribution rate for each
8 employer shall be computed to the nearest multiple of $\frac{1}{10}$ % if not
9 already a multiple thereof; (2) not eligible for a contribution rate
10 calculation based upon benefit experience, shall be increased by $\frac{6}{10}$
11 of 1% over the contribution rate otherwise established under the
12 provisions of paragraph (4) of this subsection. For the period
13 commencing July 1, 1984 and ending June 30, 1986, the contribution
14 rate for each employer liable to pay contributions under R.S.43:21-7
15 shall be increased by a factor of 10% computed to the nearest multiple
16 of $\frac{1}{10}$ % if not already a multiple thereof.

17 (B) If on March 31 of any calendar year the balance in the
18 unemployment trust fund equals or exceeds 10% but is less than 12
19 $\frac{1}{2}$ % of the total taxable wages reported to the controller as of that
20 date in respect to employment during the preceding calendar year, the
21 contribution rate, effective July 1 following, of each employer eligible
22 for a contribution rate calculation based upon benefit experience, shall
23 be reduced by $\frac{3}{10}$ of 1% under the contribution rate otherwise
24 established under the provisions of paragraphs (3) and (4) of this
25 subsection; provided that in no event shall the contribution rate of any
26 employer be reduced to less than $\frac{4}{10}$ of 1%. If on March 31 of any
27 calendar year the balance in the unemployment trust fund equals or
28 exceeds 12 $\frac{1}{2}$ % of the total taxable wages reported to the controller
29 as of that date in respect to employment during the preceding calendar
30 year, the contribution rate, effective July 1 following, of each
31 employer eligible for a contribution rate calculation based upon benefit
32 experience, shall be reduced by $\frac{6}{10}$ of 1% if his account for all past
33 periods reflects an excess of contributions paid over total benefits
34 charged of 3% or more of his average annual payroll, otherwise by
35 $\frac{3}{10}$ of 1% under the contribution rate otherwise established under the
36 provisions of paragraphs (3) and (4) of this subsection; provided that
37 in no event shall the contribution rate of any employer be reduced to
38 less than $\frac{4}{10}$ of 1%.

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

45 (D) Prior to July 1 of each calendar year the controller shall
46 determine the Unemployment Trust Reserve Ratio, which shall be

1 calculated by dividing the balance of the unemployment trust fund as
 2 of the prior March 31 by total taxable wages reported to the controller
 3 by all employers as of March 31 with respect to their employment
 4 during the last calendar year.

5 (E) (i) (Deleted by amendment, P.L.1997, c.263).

6 (ii) (Deleted by amendment, P.L.2001, c.152).

7 (iii) (Deleted by amendment, P.L.2003, c.107).

8 (iv) [With respect to the experience rating year beginning on July
 9 1, 2002, the new employer rate or the unemployment experience rate
 10 of an employer under this section shall be the rate which appears in the
 11 column headed by the Unemployment Trust Fund Reserve Ratio as of
 12 the applicable calculation date and on the line with the Employer
 13 Reserve Ratio, as defined in paragraph 4 of this subsection
 14 (R.S.43:21-7 (c)(4)), as set forth in the following table:

15
 16 EXPERIENCE RATING TAX TABLE

17 Fund Reserve Ratio¹

18

19	20 Employer	3.50%	3.00%	2.50%	2.00%	1.99%
21 Reserve	Ratio ²	and	to	to	to	and
22		Over	3.49%	2.99%	2.49%	Under
23		A	B	C	D	E
24	Positive Reserve Ratio:					
25	17% and over	0.3	0.4	0.5	0.6	1.2
26	16.00% to 16.99%	0.4	0.5	0.6	0.6	1.2
27	15.00% to 15.99%	0.4	0.6	0.7	0.7	1.2
28	14.00% to 14.99%	0.5	0.6	0.7	0.8	1.2
29	13.00% to 13.99%	0.6	0.7	0.8	0.9	1.2
30	12.00% to 12.99%	0.6	0.8	0.9	1.0	1.2
31	11.00% to 11.99%	0.7	0.8	1.0	1.1	1.2
32	10.00% to 10.99%	0.9	1.1	1.3	1.5	1.6
33	9.00% to 9.99%	1.0	1.3	1.6	1.7	1.9
34	8.00% to 8.99%	1.3	1.6	1.9	2.1	2.3
35	7.00% to 7.99%	1.4	1.8	2.2	2.4	2.6
36	6.00% to 6.99%	1.7	2.1	2.5	2.8	3.0
37	5.00% to 5.99%	1.9	2.4	2.8	3.1	3.4
38	4.00% to 4.99%	2.0	2.6	3.1	3.4	3.7
39	3.00% to 3.99%	2.1	2.7	3.2	3.6	3.9
40	2.00% to 2.99%	2.2	2.8	3.3	3.7	4.0
41	1.00% to 1.99%	2.3	2.9	3.4	3.8	4.1
42	0.00% to 0.99%	2.4	3.0	3.6	4.0	4.3
43	Deficit Reserve Ratio:					
44	-0.00% to -2.99%	3.4	4.3	5.1	5.6	6.1
45	-3.00% to -5.99%	3.4	4.3	5.1	5.7	6.2
46	-6.00% to -8.99%	3.5	4.4	5.2	5.8	6.3
	-9.00% to -11.99%	3.5	4.5	5.3	5.9	6.4

1	-12.00%to-14.99%	3.6	4.6	5.4	6.0	6.5
2	-15.00%to-19.99%	3.6	4.6	5.5	6.1	6.6
3	-20.00%to-24.99%	3.7	4.7	5.6	6.2	6.7
4	-25.00%to-29.99%	3.7	4.8	5.6	6.3	6.8
5	-30.00%to-34.99%	3.8	4.8	5.7	6.3	6.9
6	-35.00% and under	5.4	5.4	5.8	6.4	7.0
7	New Employer Rate	2.8	2.8	2.8	3.1	3.4

8 ¹Fund balance as of March 31 as a percentage of taxable wages in
9 the prior calendar year.

10 ²Employer Reserve Ratio (Contributions minus benefits as a
11 percentage of employer's taxable wages)] (Deleted by amendment,
12 P.L. , c.) (now before the Legislature as this bill).

13 (v) With respect to the experience rating [years] year beginning on
14 [or after] July 1, 2003, the new employer rate or the unemployment
15 experience rate of an employer under this section shall be the rate
16 which appears in the column headed by the Unemployment Trust Fund
17 Reserve Ratio as of the applicable calculation date and on the line with
18 the Employer Reserve Ratio, as defined in paragraph 4 of this
19 subsection (R.S.43:21-7 (c)(4)), as set forth in the following table:

20

21

EXPERIENCE RATING TAX TABLE

22

Fund Reserve Ratio¹

23

24		2.50%	2.00%	1.50%	1.00%	0.99%
25	Employer	and	to	to	to	and
26	Reserve	Over	2.49%	1.99%	1.49%	Under
27	Ratio ²	A	B	C	D	E

28 Positive Reserve Ratio:

29	17% and over	0.3	0.4	0.5	0.6	1.2
30	16.00% to 16.99%	0.4	0.5	0.6	0.6	1.2
31	15.00% to 15.99%	0.4	0.6	0.7	0.7	1.2
32	14.00% to 14.99%	0.5	0.6	0.7	0.8	1.2
33	13.00% to 13.99%	0.6	0.7	0.8	0.9	1.2
34	12.00% to 12.99%	0.6	0.8	0.9	1.0	1.2
35	11.00% to 11.99%	0.7	0.8	1.0	1.1	1.2
36	10.00% to 10.99%	0.9	1.1	1.3	1.5	1.6
37	9.00% to 9.99%	1.0	1.3	1.6	1.7	1.9
38	8.00% to 8.99%	1.3	1.6	1.9	2.1	2.3
39	7.00% to 7.99%	1.4	1.8	2.2	2.4	2.6
40	6.00% to 6.99%	1.7	2.1	2.5	2.8	3.0
41	5.00% to 5.99%	1.9	2.4	2.8	3.1	3.4
42	4.00% to 4.99%	2.0	2.6	3.1	3.4	3.7
43	3.00% to 3.99%	2.1	2.7	3.2	3.6	3.9
44	2.00% to 2.99%	2.2	2.8	3.3	3.7	4.0
45	1.00% to 1.99%	2.3	2.9	3.4	3.8	4.1
46	0.00% to 0.99%	2.4	3.0	3.6	4.0	4.3

1	Deficit Reserve Ratio:					
2	-0.00% to -2.99%	3.4	4.3	5.1	5.6	6.1
3	-3.00% to -5.99%	3.4	4.3	5.1	5.7	6.2
4	-6.00% to -8.99%	3.5	4.4	5.2	5.8	6.3
5	-9.00% to-11.99%	3.5	4.5	5.3	5.9	6.4
6	-12.00%to-14.99%	3.6	4.6	5.4	6.0	6.5
7	-15.00%to-19.99%	3.6	4.6	5.5	6.1	6.6
8	-20.00%to-24.99%	3.7	4.7	5.6	6.2	6.7
9	-25.00%to-29.99%	3.7	4.8	5.6	6.3	6.8
10	-30.00%to-34.99%	3.8	4.8	5.7	6.3	6.9
11	-35.00% and under	5.4	5.4	5.8	6.4	7.0
12	New Employer Rate	2.8	2.8	2.8	3.1	3.4

13 ¹Fund balance as of March 31 as a percentage of taxable wages in
 14 the prior calendar year.

15 ²Employer Reserve Ratio (Contributions minus benefits as a
 16 percentage of employer's taxable wages).

17 (vi) With respect to experience rating years beginning on or after
 18 July 1, 2004, the new employer rate or the unemployment experience
 19 rate of an employer under this section shall be the rate which appears
 20 in the column headed by the Unemployment Trust Fund Reserve Ratio
 21 as of the applicable calculation date and on the line with the Employer
 22 Reserve Ratio, as defined in paragraph 4 of this subsection
 23 (R.S.43:21-7 (c)(4)), as set forth in the following table:

24
 25 **EXPERIENCE RATING TAX TABLE**

26 **Fund Reserve Ratio¹**

	<u>1.40%</u>	<u>1.00%</u>	<u>0.75%</u>	<u>0.50%</u>	<u>0.49%</u>
<u>Employer</u>	<u>and</u>	<u>to</u>	<u>to</u>	<u>to</u>	<u>and</u>
<u>Reserve</u>	<u>Over</u>	<u>1.39%</u>	<u>0.99%</u>	<u>0.74%</u>	<u>Under</u>
<u>Ratio²</u>	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>
32 Positive Reserve Ratio:					
33 <u>17% and over</u>	<u>0.3</u>	<u>0.4</u>	<u>0.5</u>	<u>0.6</u>	<u>1.2</u>
34 <u>16.00% to 16.99%</u>	<u>0.4</u>	<u>0.5</u>	<u>0.6</u>	<u>0.6</u>	<u>1.2</u>
35 <u>15.00% to 15.99%</u>	<u>0.4</u>	<u>0.6</u>	<u>0.7</u>	<u>0.7</u>	<u>1.2</u>
36 <u>14.00% to 14.99%</u>	<u>0.5</u>	<u>0.6</u>	<u>0.7</u>	<u>0.8</u>	<u>1.2</u>
37 <u>13.00% to 13.99%</u>	<u>0.6</u>	<u>0.7</u>	<u>0.8</u>	<u>0.9</u>	<u>1.2</u>
38 <u>12.00% to 12.99%</u>	<u>0.6</u>	<u>0.8</u>	<u>0.9</u>	<u>1.0</u>	<u>1.2</u>
39 <u>11.00% to 11.99%</u>	<u>0.7</u>	<u>0.8</u>	<u>1.0</u>	<u>1.1</u>	<u>1.2</u>
40 <u>10.00% to 10.99%</u>	<u>0.9</u>	<u>1.1</u>	<u>1.3</u>	<u>1.5</u>	<u>1.6</u>
41 <u>9.00% to 9.99%</u>	<u>1.0</u>	<u>1.3</u>	<u>1.6</u>	<u>1.7</u>	<u>1.9</u>
42 <u>8.00% to 8.99%</u>	<u>1.3</u>	<u>1.6</u>	<u>1.9</u>	<u>2.1</u>	<u>2.3</u>
43 <u>7.00% to 7.99%</u>	<u>1.4</u>	<u>1.8</u>	<u>2.2</u>	<u>2.4</u>	<u>2.6</u>
44 <u>6.00% to 6.99%</u>	<u>1.7</u>	<u>2.1</u>	<u>2.5</u>	<u>2.8</u>	<u>3.0</u>
45 <u>5.00% to 5.99%</u>	<u>1.9</u>	<u>2.4</u>	<u>2.8</u>	<u>3.1</u>	<u>3.4</u>
46 <u>4.00% to 4.99%</u>	<u>2.0</u>	<u>2.6</u>	<u>3.1</u>	<u>3.4</u>	<u>3.7</u>

1	<u>3.00% to 3.99%</u>	<u>2.1</u>	<u>2.7</u>	<u>3.2</u>	<u>3.6</u>	<u>3.9</u>
2	<u>2.00% to 2.99%</u>	<u>2.2</u>	<u>2.8</u>	<u>3.3</u>	<u>3.7</u>	<u>4.0</u>
3	<u>1.00% to 1.99%</u>	<u>2.3</u>	<u>2.9</u>	<u>3.4</u>	<u>3.8</u>	<u>4.1</u>
4	<u>0.00% to 0.99%</u>	<u>2.4</u>	<u>3.0</u>	<u>3.6</u>	<u>4.0</u>	<u>4.3</u>
5	<u>Deficit Reserve Ratio:</u>					
6	<u>-0.00% to -2.99%</u>	<u>3.4</u>	<u>4.3</u>	<u>5.1</u>	<u>5.6</u>	<u>6.1</u>
7	<u>-3.00% to -5.99%</u>	<u>3.4</u>	<u>4.3</u>	<u>5.1</u>	<u>5.7</u>	<u>6.2</u>
8	<u>-6.00% to -8.99%</u>	<u>3.5</u>	<u>4.4</u>	<u>5.2</u>	<u>5.8</u>	<u>6.3</u>
9	<u>-9.00% to-11.99%</u>	<u>3.5</u>	<u>4.5</u>	<u>5.3</u>	<u>5.9</u>	<u>6.4</u>
10	<u>-12.00%to-14.99%</u>	<u>3.6</u>	<u>4.6</u>	<u>5.4</u>	<u>6.0</u>	<u>6.5</u>
11	<u>-15.00%to-19.99%</u>	<u>3.6</u>	<u>4.6</u>	<u>5.5</u>	<u>6.1</u>	<u>6.6</u>
12	<u>-20.00%to-24.99%</u>	<u>3.7</u>	<u>4.7</u>	<u>5.6</u>	<u>6.2</u>	<u>6.7</u>
13	<u>-25.00%to-29.99%</u>	<u>3.7</u>	<u>4.8</u>	<u>5.6</u>	<u>6.3</u>	<u>6.8</u>
14	<u>-30.00%to-34.99%</u>	<u>3.8</u>	<u>4.8</u>	<u>5.7</u>	<u>6.3</u>	<u>6.9</u>
15	<u>-35.00% and under</u>	<u>5.4</u>	<u>5.4</u>	<u>5.8</u>	<u>6.4</u>	<u>7.0</u>
16	<u>New Employer Rate</u>	<u>2.8</u>	<u>2.8</u>	<u>2.8</u>	<u>3.1</u>	<u>3.4</u>

17 ¹Fund balance as of March 31 as a percentage of taxable wages in
18 the prior calendar year.

19 ²Employer Reserve Ratio (Contributions minus benefits as a
20 percentage of employer's taxable wages).

21 (F) (i) (Deleted by amendment, P.L.1997, c.263).

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

29 (iii) With respect to experience rating years beginning on or after
30 July 1, 2004, if the fund reserve ratio, based on the fund balance as of
31 the prior March 31, is less than 0.50%, the contribution rate for each
32 employer liable to pay contributions, as computed under subparagraph
33 (E) of this paragraph (5), shall be increased by a factor of 10%
34 computed to the nearest multiple of 1/10% if not already a multiple
35 thereof.

36 (G) On or after January 1, 1993, notwithstanding any other
37 provisions of this paragraph (5), the contribution rate for each
38 employer liable to pay contributions, as computed under subparagraph
39 (E) of this paragraph (5), shall be decreased by 0.1%, except that,
40 during any experience rating year starting before January 1, 1998 in
41 which the fund reserve ratio is equal to or greater than 7.00% or
42 during any experience rating year starting on or after January 1, 1998,
43 in which the fund reserve ratio is equal to or greater than 3.5%, there
44 shall be no decrease pursuant to this subparagraph (G) in the
45 contribution of any employer who has a deficit reserve ratio of
46 negative 35.00% or under.

1 (H) On or after January 1, 1993 until December 31, 1993,
2 notwithstanding any other provisions of this paragraph (5), the
3 contribution rate for each employer liable to pay contributions, as
4 computed under subparagraph (E) of this paragraph (5), shall be
5 decreased by a factor of 52.0% computed to the nearest multiple of
6 1/10%, except that, if an employer has a deficit reserve ratio of
7 negative 35.0% or under, the employer's rate of contribution shall not
8 be reduced pursuant to this subparagraph (H) to less than 5.4%. The
9 amount of the reduction in the employer contributions stipulated by
10 this subparagraph (H) shall be in addition to the amount of the
11 reduction in the employer contributions stipulated by subparagraph (G)
12 of this paragraph (5), except that the rate of contribution of an
13 employer who has a deficit reserve ratio of negative 35.0% or under
14 shall not be reduced pursuant to this subparagraph (H) to less than
15 5.4% and the rate of contribution of any other employer shall not be
16 reduced to less than 0.0%. On or after January 1, 1994 until
17 December 31, 1995, except as provided pursuant to subparagraph (I)
18 of this paragraph (5), notwithstanding any other provisions of this
19 paragraph (5), the contribution rate for each employer liable to pay
20 contributions, as computed under subparagraph (E) of this paragraph
21 (5), shall be decreased by a factor of 36.0% computed to the nearest
22 multiple of 1/10%, except that, if an employer has a deficit reserve
23 ratio of negative 35.0% or under, the employer's rate of contribution
24 shall not be reduced pursuant to this subparagraph (H) to less than
25 5.4%. The amount of the reduction in the employer contributions
26 stipulated by this subparagraph (H) shall be in addition to the amount
27 of the reduction in the employer contributions stipulated by
28 subparagraph (G) of this paragraph (5), except that the rate of
29 contribution of an employer who has a deficit reserve ratio of negative
30 35.0% or under shall not be reduced pursuant to this subparagraph (H)
31 to less than 5.4% and the rate of contribution of any other employer
32 shall not be reduced to less than 0.0%.

33 On or after April 1, 1996 until December 31, 1996, the contribution
34 rate for each employer liable to pay contributions, as computed under
35 subparagraph (E) of this paragraph (5), shall be decreased by a factor
36 of 25.0% computed to the nearest multiple of 1/10%, except that, if
37 an employer has a deficit reserve ratio of negative 35.0% or under, the
38 employer's rate of contribution shall not be reduced pursuant to this
39 subparagraph (H) to less than 5.4%. The amount of the reduction in
40 the employer contributions stipulated by this subparagraph (H) shall
41 be in addition to the amount of the reduction in the employer
42 contributions stipulated by subparagraph (G) of this paragraph (5),
43 except that the rate of contribution of an employer who has a deficit
44 reserve ratio of negative 35.0% or under shall not be reduced pursuant
45 to this subparagraph (H) to less than 5.4% and the rate of contribution
46 of any other employer shall not be reduced to less than 0.0%.

1 On or after January 1, 1997 until December 31, 1997, the
2 contribution rate for each employer liable to pay contributions, as
3 computed under subparagraph (E) of this paragraph (5), shall be
4 decreased by a factor of 10.0% computed to the nearest multiple of
5 1/10%, except that, if an employer has a deficit reserve ratio of
6 negative 35.0% or under, the employer's rate of contribution shall not
7 be reduced pursuant to this subparagraph (H) to less than 5.4%. The
8 amount of the reduction in the employer contributions stipulated by
9 this subparagraph (H) shall be in addition to the amount of the
10 reduction in the employer contributions stipulated by subparagraph (G)
11 of this paragraph (5), except that the rate of contribution of an
12 employer who has a deficit reserve ratio of negative 35.0% or under
13 shall not be reduced pursuant to this subparagraph (H) to less than
14 5.4% and the rate of contribution of any other employer shall not be
15 reduced to less than 0.0%.

16 On and after January 1, 1998 until December 31, 2000 and on or
17 after January 1, 2002 until June 30, 2004, the contribution rate for
18 each employer liable to pay contributions, as computed under
19 subparagraph (E) of this paragraph (5), shall be decreased by a factor,
20 as set out below, computed to the nearest multiple of 1/10%, except
21 that, if an employer has a deficit reserve ratio of negative 35.0% or
22 under, the employer's rate of contribution shall not be reduced
23 pursuant to this subparagraph (H) to less than 5.4%:

24 From January 1, 1998 until December 31, 1998, a factor of 12%;
25 From January 1, 1999 until December 31, 1999, a factor of 10%;
26 From January 1, 2000 until December 31, 2000, a factor of 7%;
27 From January 1, 2002 until March 31, 2002, a factor of 36%;
28 From April 1, 2002 until June 30, 2002, a factor of 85%;
29 From July 1, 2002 until June 30, 2003, a factor of 15%; [and]
30 From July 1, 2003 until June 30, 2004, a factor of 15%; and
31 From July 1, 2004 until June 30, 2005, a factor of 7% .

32 The amount of the reduction in the employer contributions
33 stipulated by this subparagraph (H) shall be in addition to the amount
34 of the reduction in the employer contributions stipulated by
35 subparagraph (G) of this paragraph (5), except that the rate of
36 contribution of an employer who has a deficit reserve ratio of negative
37 35.0% or under shall not be reduced pursuant to this subparagraph (H)
38 to less than 5.4% and the rate of contribution of any other employer
39 shall not be reduced to less than 0.0%.

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

44 If, upon calculating the unemployment compensation fund reserve
45 ratio pursuant to R.S.43:21-7(c)(5)(D) prior to March 31, 1997,
46 March 31, 1998 or March 31, 1999, the controller finds that the fund

1 reserve ratio has decreased to a level of less than 3.00%, the
2 Commissioner of Labor shall notify the State Treasurer of this fact and
3 of the dollar amount necessary to bring the fund reserve ratio up to a
4 level of 3.00%. The State Treasurer shall, prior to March 31, 1997,
5 March 31, 1998 or March 31, 1999, as applicable, transfer from the
6 General Fund to the unemployment compensation fund, revenues in
7 the amount specified by the commissioner and which, upon deposit in
8 the unemployment compensation fund, shall result, upon recalculation,
9 in a fund reserve ratio used to determine employer contributions
10 beginning July 1, 1997, July 1, 1998, July 1, 1999, as applicable, of
11 at least 3.00%. If, upon calculating the unemployment compensation
12 fund reserve ratio pursuant to R.S.43:21-7(c)(5)(D) prior to March
13 31, 2000, the controller finds that the fund reserve ratio has decreased
14 to a level of less than 3.00%, the Commissioner of Labor shall notify
15 the State Treasurer of this fact and of the dollar amount necessary to
16 bring the fund reserve ratio up to a level of 3.00%. The State
17 Treasurer shall, prior to March 31, 2000, transfer from the General
18 Fund to the unemployment compensation fund, revenues in the amount
19 specified by the commissioner and which, upon deposit in the
20 unemployment compensation fund, shall result, upon recalculation, in
21 a fund reserve ratio used to determine employer contributions
22 beginning July 1, 2000 of at least 3.00%.

23 (J) On or after July 1, 2001, notwithstanding any other provisions
24 of this paragraph (5), the contribution rate for each employer liable to
25 pay contributions, as computed under subparagraph (E) of this
26 paragraph (5), shall be decreased by 0.0175%, except that, during any
27 experience rating year starting on or after July 1, 2001, in which the
28 fund reserve ratio is equal to or greater than 3.5%, there shall be no
29 decrease pursuant to this subparagraph (J) in the contribution of any
30 employer who has a deficit reserve ratio of negative 35.00% or under.
31 The amount of the reduction in the employer contributions stipulated
32 by this subparagraph (J) shall be in addition to the amount of the
33 reduction in the employer contributions stipulated by subparagraphs
34 (G) and (H) of this paragraph (5), except that the rate of contribution
35 of an employer who has a deficit reserve ratio of negative 35.0% or
36 under shall not be reduced pursuant to this subparagraph (J) to less
37 than 5.4% and the rate of contribution of any other employer shall not
38 be reduced to less than 0.0%.

39 (6) Additional contributions.

40 Notwithstanding any other provision of law, any employer who has
41 been assigned a contribution rate pursuant to subsection (c) of this
42 section for the year commencing July 1, 1948, and for any year
43 commencing July 1 thereafter, may voluntarily make payment of
44 additional contributions, and upon such payment shall receive a
45 recomputation of the experience rate applicable to such employer,
46 including in the calculation the additional contribution so made. Any

1 such additional contribution shall be made during the 30-day period
2 following the date of the mailing to the employer of the notice of his
3 contribution rate as prescribed in this section, unless, for good cause,
4 the time for payment has been extended by the controller for not to
5 exceed an additional 60 days; provided that in no event may such
6 payments which are made later than 120 days after the beginning of
7 the year for which such rates are effective be considered in
8 determining the experience rate for the year in which the payment is
9 made. Any employer receiving any extended period of time within
10 which to make such additional payment and failing to make such
11 payment timely shall be, in addition to the required amount of
12 additional payment, a penalty of 5% thereof or \$5.00, whichever is
13 greater, not to exceed \$50.00. Any adjustment under this subsection
14 shall be made only in the form of credits against accrued or future
15 contributions.

16 (7) Transfers.

17 (A) Upon the transfer of the organization, trade or business, or
18 substantially all the assets of an employer to a successor in interest,
19 whether by merger, consolidation, sale, transfer, descent or otherwise,
20 the controller shall transfer the employment experience of the
21 predecessor employer to the successor in interest, including credit for
22 past years, contributions paid, annual payrolls, benefit charges, et
23 cetera, applicable to such predecessor employer, pursuant to
24 regulation, if it is determined that the employment experience of the
25 predecessor employer with respect to the organization, trade, assets
26 or business which has been transferred may be considered indicative
27 of the future employment experience of the successor in interest.
28 Unless the predecessor employer was owned or controlled (by legally
29 enforceable means or otherwise), directly or indirectly, by the
30 successor in interest, or the predecessor employer and the successor
31 in interest were owned or controlled (by legally enforceable means or
32 otherwise), directly or indirectly, by the same interest or interests, the
33 transfer of the employment experience of the predecessor shall not be
34 effective if such successor in interest, within four months of the date
35 of such transfer of the organization, trade, assets or business, or
36 thereafter upon good cause shown, files a written notice protesting the
37 transfer of the employment experience of the predecessor employer.

38 (B) An employer who transfers part of his or its organization, trade,
39 assets or business to a successor in interest, whether by merger,
40 consolidation, sale, transfer, descent or otherwise, may jointly make
41 application with such successor in interest for transfer of that portion
42 of the employment experience of the predecessor employer relating to
43 the portion of the organization, trade, assets or business transferred to
44 the successor in interest, including credit for past years, contributions
45 paid, annual payrolls, benefit charges, et cetera, applicable to such
46 predecessor employer. The transfer of employment experience may be

1 allowed pursuant to regulation only if it is found that the employment
2 experience of the predecessor employer with respect to the portion of
3 the organization, trade, assets or business which has been transferred
4 may be considered indicative of the future employment experience of
5 the successor in interest. Credit shall be given to the successor in
6 interest only for the years during which contributions were paid by the
7 predecessor employer with respect to that part of the organization,
8 trade, assets or business transferred.

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

18 (d) Contributions of workers to the unemployment compensation
19 fund and the State disability benefits fund.

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

33 (B) Effective January 1, 1978 there shall be no contributions by
34 workers in the employ of any governmental or nongovernmental
35 employer electing or required to make payments in lieu of
36 contributions unless the employer is covered by the State plan under
37 the "Temporary Disability Benefits Law" (C.43:21-37 et seq.), and in
38 that case contributions shall be at the rate of 1/2 of 1%, except that
39 commencing July 1, 1986, workers in the employ of any
40 nongovernmental employer electing or required to make payments in
41 lieu of contributions shall be required to make contributions to the
42 fund at the same rate prescribed for workers of other nongovernmental
43 employers.

44 (C) (i) Notwithstanding the above provisions of this paragraph (1),
45 during the period starting July 1, 1986 and ending December 31, 1992,
46 each worker shall contribute to the fund 1.125% of wages paid with

1 respect to his employment with a governmental employer electing or
2 required to pay contributions or nongovernmental employer, including
3 a nonprofit organization which is an employer as defined under
4 R.S.43:21-19(h)(6), regardless of whether that nonprofit organization
5 elects or is required to finance its benefit costs with contributions to
6 the fund or by payments in lieu of contributions, after that employer
7 has satisfied the conditions set forth in subsection R.S.43:21-19(h)
8 with respect to becoming an employer. Contributions, however, shall
9 be at the rate of 0.625% while the worker is covered by an approved
10 private plan under the "Temporary Disability Benefits Law" while the
11 worker is exempt under section 7 of that law, P.L.1948, c.110
12 (C.43:21-31) or any other provision of that law; provided that such
13 contributions shall be at the rate of 0.625% of wages paid with respect
14 to employment with the State of New Jersey or any other
15 governmental entity or instrumentality electing or required to make
16 payments in lieu of contributions and which is covered by the State
17 plan under the "Temporary Disability Benefits Law," except that, while
18 the worker is exempt from the provisions of the "Temporary Disability
19 Benefits Law" under section 7 of that law, P.L.1948, c.110
20 (C.43:21-31) or any other provision of that law, or is covered for
21 disability benefits by an approved private plan of the employer, the
22 contributions to the fund shall be 0.125%.

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

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

1 Law" under section 7 of that law, P.L.1948, c.110 (C.43:21-31) or any
2 other provision of that law, or is covered for disability benefits by an
3 approved private plan of the employer, no contributions shall be made
4 to the fund.

5 Each worker shall, starting on January 1, 1996 and ending March
6 31, 1996, contribute to the unemployment compensation fund 0.60%
7 of wages paid with respect to the worker's employment with a
8 governmental employer electing or required to pay contributions or
9 nongovernmental employer, including a nonprofit organization which
10 is an employer as defined under paragraph (6) of subsection (h) of
11 R.S.43:21-19, regardless of whether that nonprofit organization elects
12 or is required to finance its benefit costs with contributions to the fund
13 or by payments in lieu of contributions, after that employer has
14 satisfied the conditions set forth in subsection (h) of R.S.43:21-19
15 with respect to becoming an employer, provided that the contributions
16 shall be at the rate of 0.10% of wages paid with respect to
17 employment with the State of New Jersey or any other governmental
18 entity or instrumentality electing or required to make payments in lieu
19 of contributions.

20 Each worker shall, starting on January 1, 1998 and ending
21 December 31, 1998, contribute to the unemployment compensation
22 fund 0.10% of wages paid with respect to the worker's employment
23 with a governmental employer electing or required to pay
24 contributions or nongovernmental employer, including a nonprofit
25 organization which is an employer as defined under paragraph (6) of
26 subsection (h) of R.S.43:21-19, regardless of whether that nonprofit
27 organization elects or is required to finance its benefit costs with
28 contributions to the fund or by payments in lieu of contributions, after
29 that employer has satisfied the conditions set forth in subsection (h) of
30 R.S.43:21-19 with respect to becoming an employer, provided that the
31 contributions shall be at the rate of 0.10% of wages paid with respect
32 to employment with the State of New Jersey or any other
33 governmental entity or instrumentality electing or required to make
34 payments in lieu of contributions.

35 Each worker shall, starting on January 1, 1999 until December 31,
36 1999, contribute to the unemployment compensation fund 0.15% of
37 wages paid with respect to the worker's employment with a
38 governmental employer electing or required to pay contributions or
39 nongovernmental employer, including a nonprofit organization which
40 is an employer as defined under paragraph (6) of subsection (h) of
41 R.S.43:21-19, regardless of whether that nonprofit organization elects
42 or is required to finance its benefit costs with contributions to the fund
43 or by payments in lieu of contributions, after that employer has
44 satisfied the conditions set forth in subsection (h) of R.S.43:21-19
45 with respect to becoming an employer, provided that the contributions
46 shall be at the rate of 0.10% of wages paid with respect to

1 employment with the State of New Jersey or any other governmental
2 entity or instrumentality electing or required to make payments in lieu
3 of contributions.

4 Each worker shall, starting on January 1, 2000 until December 31,
5 2001, contribute to the unemployment compensation fund 0.20% of
6 wages paid with respect to the worker's employment with a
7 governmental employer electing or required to pay contributions or
8 nongovernmental employer, including a nonprofit organization which
9 is an employer as defined under paragraph (6) of subsection (h) of
10 R.S.43:21-19, regardless of whether that nonprofit organization elects
11 or is required to finance its benefit costs with contributions to the fund
12 or by payments in lieu of contributions, after that employer has
13 satisfied the conditions set forth in subsection (h) of R.S.43:21-19
14 with respect to becoming an employer, provided that the contributions
15 shall be at the rate of 0.10% of wages paid with respect to
16 employment with the State of New Jersey or any other governmental
17 entity or instrumentality electing or required to make payments in lieu
18 of contributions.

19 Each worker shall, starting on January 1, 2002 until June 30, 2004,
20 contribute to the unemployment compensation fund 0.1825% of wages
21 paid with respect to the worker's employment with a governmental
22 employer electing or required to pay contributions or a
23 nongovernmental employer, including a nonprofit organization which
24 is an employer as defined under paragraph (6) of subsection (h) of
25 R.S.43:21-19, regardless of whether that nonprofit organization elects
26 or is required to finance its benefit costs with contributions to the fund
27 or by payments in lieu of contributions, after that employer has
28 satisfied the conditions set forth in subsection (h) of R.S.43:21-19
29 with respect to becoming an employer, provided that the contributions
30 shall be at the rate of 0.0825% of wages paid with respect to
31 employment with the State of New Jersey or any other governmental
32 entity or instrumentality electing or required to make payments in lieu
33 of contributions.

34 Each worker shall, starting on and after July 1, 2004, contribute to
35 the unemployment compensation fund 0.3825% of wages paid with
36 respect to the worker's employment with a governmental employer
37 electing or required to pay contributions or nongovernmental
38 employer, including a nonprofit organization which is an employer as
39 defined under paragraph (6) of subsection (h) of R.S.43:21-19,
40 regardless of whether that nonprofit organization elects or is required
41 to finance its benefit costs with contributions to the fund or by
42 payments in lieu of contributions, after that employer has satisfied the
43 conditions set forth in subsection (h) of R.S.43:21-19 with respect to
44 becoming an employer, provided that the contributions shall be at the
45 rate of 0.0825% of wages paid with respect to employment with the
46 State of New Jersey or any other governmental entity or

1 instrumentality electing or required to make payments in lieu of
2 contributions.

3 (E) Each employer shall, notwithstanding any provision of law in
4 this State to the contrary, withhold in trust the amount of his workers'
5 contributions from their wages at the time such wages are paid, shall
6 show such deduction on his payroll records, shall furnish such
7 evidence thereof to his workers as the division or controller may
8 prescribe, and shall transmit all such contributions, in addition to his
9 own contributions, to the office of the controller in such manner and
10 at such times as may be prescribed. If any employer fails to deduct the
11 contributions of any of his workers at the time their wages are paid, or
12 fails to make a deduction therefor at the time wages are paid for the
13 next succeeding payroll period, he alone shall thereafter be liable for
14 such contributions, and for the purpose of R.S.43:21-14, such
15 contributions shall be treated as employer's contributions required
16 from him.

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

20 (G) Each worker shall, starting on July 1, 1994, contribute to the
21 State disability benefits fund an amount equal to 0.50% of wages paid
22 with respect to the worker's employment with a government employer
23 electing or required to pay contributions to the State disability benefits
24 fund or nongovernmental employer, including a nonprofit organization
25 which is an employer as defined under paragraph (6) of subsection (h)
26 of R.S.43:21-19, unless the employer is covered by an approved
27 private disability plan or is exempt from the provisions of the
28 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et
29 seq.) under section 7 of that law (C.43:21-31) or any other provision
30 of that law.

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

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

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

34 (D) (Deleted by amendment, P.L.1994, c.112.)

35 (E) (i) (Deleted by amendment, P.L.1994, c.112.)

36 (ii) (Deleted by amendment, P.L.1996, c.28.)

37 (iii) (Deleted by amendment, P.L.1994, c.112.)

38 (3) If an employee receives wages from more than one employer
39 during any calendar year, and either the sum of his contributions
40 deposited in and credited to the State disability benefits fund plus the
41 amount of his contributions, if any, required towards the costs of
42 benefits under one or more approved private plans under the
43 provisions of section 9 of the "Temporary Disability Benefits Law"
44 (C.43:21-33) and deducted from his wages, or the sum of such latter
45 contributions, if the employee is covered during such calendar year
46 only by two or more private plans, exceeds an amount equal to 1/2 of

1 1% of the "wages" determined in accordance with the provisions of
2 R.S.43:21-7(b)(3) during the calendar years beginning on or after
3 January 1, 1976, the employee shall be entitled to a refund of the
4 excess if he makes a claim to the controller within two years after the
5 end of the calendar year in which the wages are received with respect
6 to which the refund is claimed and establishes his right to such refund.
7 Such refund shall be made by the controller from the State disability
8 benefits fund. No interest shall be allowed or paid with respect to any
9 such refund. The controller shall, in accordance with prescribed
10 regulations, determine the portion of the aggregate amount of such
11 refunds made during any calendar year which is applicable to private
12 plans for which deductions were made under section 9 of the
13 "Temporary Disability Benefits Law," such determination to be based
14 upon the ratio of the amount of such wages exempt from contributions
15 to such fund, as provided in subparagraph (B) of paragraph (1) of this
16 subsection with respect to coverage under private plans, to the total
17 wages so exempt plus the amount of such wages subject to
18 contributions to the disability benefits fund, as provided in
19 subparagraph (G) of paragraph (1) of this subsection. The controller
20 shall, in accordance with prescribed regulations, prorate the amount
21 so determined among the applicable private plans in the proportion
22 that the wages covered by each plan bear to the total private plan
23 wages involved in such refunds, and shall assess against and recover
24 from the employer, or the insurer if the insurer has indemnified the
25 employer with respect thereto, the amount so prorated. The
26 provisions of R.S.43:21-14 with respect to collection of employer
27 contributions shall apply to such assessments. The amount so
28 recovered by the controller shall be paid into the State disability
29 benefits fund.

30 (4) If an individual does not receive any wages from the employing
31 unit which for the purposes of this chapter (R.S.43:21-1 et seq.) is
32 treated as his employer, or receives his wages from some other
33 employing unit, such employer shall nevertheless be liable for such
34 individual's contributions in the first instance; and after payment
35 thereof such employer may deduct the amount of such contributions
36 from any sums payable by him to such employing unit, or may recover
37 the amount of such contributions from such employing unit, or, in the
38 absence of such an employing unit, from such individual, in a civil
39 action; provided proceedings therefor are instituted within three
40 months after the date on which such contributions are payable. General
41 rules shall be prescribed whereby such an employing unit may recover
42 the amount of such contributions from such individuals in the same
43 manner as if it were the employer.

44 (5) Every employer who has elected to become an employer subject
45 to this chapter (R.S.43:21-1 et seq.), or to cease to be an employer
46 subject to this chapter (R.S.43:21-1 et seq.), pursuant to the

1 provisions of R.S.43:21-8, shall post and maintain printed notices of
2 such election on his premises, of such design, in such numbers, and at
3 such places as the director may determine to be necessary to give
4 notice thereof to persons in his service

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

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

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

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

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

37 (B) A separate disability benefits account shall be maintained for
38 each employer required to contribute to the State disability benefits
39 fund and such account shall be credited with contributions deposited
40 in and credited to such fund with respect to employment occurring on
41 and after January 1, 1949. Each employer's account shall be credited
42 with all contributions paid on or before January 31 of any calendar
43 year on his own behalf and on behalf of individuals in his service with
44 respect to employment occurring in preceding calendar years;
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 act shall be construed to grant any
4 employer or individuals in his service prior claims or rights to the
5 amounts paid by him to the fund either on his own behalf or on behalf
6 of such individuals. Benefits paid to any covered individual in
7 accordance with Article III of the "Temporary Disability Benefits
8 Law" on or before December 31 of any calendar year with respect to
9 disability in such calendar year and in preceding calendar years shall be
10 charged against the account of the employer by whom such individual
11 was employed at the commencement of such disability or by whom he
12 was last employed, if out of employment.

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

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

23 (1) Such preliminary rate shall be $\frac{1}{2}$ of 1% unless on the preceding
24 January 31 of such year such employer shall have been a covered
25 employer who has paid contributions to the State disability benefits
26 fund with respect to employment in the three calendar years
27 immediately preceding such year.

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

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

34 (ii) $\frac{15}{100}$ of 1% if such excess over \$500.00 equals or exceeds 1
35 $\frac{1}{4}$ % but is less than $1\frac{1}{2}$ % of his average annual payroll;

36 (iii) $\frac{1}{10}$ of 1% if such excess over \$500.00 equals or exceeds 1
37 $\frac{1}{2}$ % of his average annual payroll.

38 (3) If the minimum requirements in (1) above have been fulfilled
39 and the contributions credited exceed the benefits charged but by not
40 more than \$500.00 plus 1% of his average annual payroll, or if the
41 benefits charged exceed the contributions credited but by not more
42 than \$500.00, the preliminary rate shall be $\frac{1}{4}$ of 1%.

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

46 (i) $\frac{35}{100}$ of 1% if such excess over \$500.00 is less than $\frac{1}{4}$ of 1%

- 1 of his average annual payroll;
- 2 (ii) 45/100 of 1% if such excess over \$500.00 equals or exceeds 1/4
3 of 1% but is less than 1/2 of 1% of his average annual payroll;
- 4 (iii) 55/100 of 1% if such excess over \$500.00 equals or exceeds
5 1/2 of 1% but is less than 3/4 of 1% of his average annual payroll;
- 6 (iv) 65/100 of 1% if such excess over \$500.00 equals or exceeds
7 3/4 of 1% but is less than 1% of his average annual payroll;
- 8 (v) 75/100 of 1% if such excess over \$500.00 equals or exceeds 1%
9 of his average annual payroll.
- 10 (5) Determination of the preliminary rate as specified in (2), (3) and
11 (4) above shall be subject, however, to the condition that it shall in no
12 event be decreased by more than 1/10 of 1% of wages or increased by
13 more than 2/10 of 1% of wages from the preliminary rate determined
14 for the preceding year in accordance with (1), (2), (3) or (4),
15 whichever shall have been applicable.
- 16 (E) (1) Prior to July 1 of each calendar year the controller shall
17 determine the amount of the State disability benefits fund as of
18 December 31 of the preceding calendar year, increased by the
19 contributions paid thereto during January of the current calendar year
20 with respect to employment occurring in the preceding calendar year.
21 If such amount exceeds the net amount withdrawn from the
22 unemployment trust fund pursuant to section 23 of the "Temporary
23 Disability Benefits Law," P.L.1948, c.110 (C.43:21-47) plus the
24 amount at the end of such preceding calendar year of the
25 unemployment disability account (as defined in section 22 of said law
26 (C.43:21-46), such excess shall be expressed as a percentage of the
27 wages on which contributions were paid to the State disability benefits
28 fund on or before January 31 with respect to employment in the
29 preceding calendar year.
- 30 (2) The controller shall then make a final determination of the rates
31 of contribution for the 12 months commencing July 1 of such year for
32 employers whose preliminary rates are determined as provided in (D)
33 hereof, as follows:
- 34 (i) If the percentage determined in accordance with paragraph
35 (E)(1) of this subsection equals or exceeds 1 1/4%, the final employer
36 rates shall be the preliminary rates determined as provided in (D)
37 hereof, except that if the employer's preliminary rate is determined as
38 provided in (D)(2) or (D)(3) hereof, the final employer rate shall be
39 the preliminary employer rate decreased by such percentage of excess
40 taken to the nearest 5/100 of 1%, but in no case shall such final rate
41 be less than 1/10 of 1%.
- 42 (ii) If the percentage determined in accordance with paragraph
43 (E)(1) of this subsection equals or exceeds 3/4 of 1% and is less than
44 1 1/4 of 1%, the final employer rates shall be the preliminary employer
45 rates.
- 46 (iii) If the percentage determined in accordance with paragraph

1 (E)(1) of this subsection is less than $\frac{3}{4}$ of 1%, but in excess of $\frac{1}{4}$ of
2 1%, the final employer rates shall be the preliminary employer rates
3 determined as provided in (D) hereof increased by the difference
4 between $\frac{3}{4}$ of 1% and such percentage taken to the nearest $\frac{5}{100}$ of
5 1%; provided, however, that no such final rate shall be more than $\frac{1}{4}$
6 of 1% in the case of an employer whose preliminary rate is determined
7 as provided in (D)(2) hereof, more than $\frac{1}{2}$ of 1% in the case of an
8 employer whose preliminary rate is determined as provided in (D)(1)
9 and (D)(3) hereof, nor more than $\frac{3}{4}$ of 1% in the case of an employer
10 whose preliminary rate is determined as provided in (D)(4) hereof.

11 (iv) If the amount of the State disability benefits fund determined
12 as provided in paragraph (E)(1) of this subsection is equal to or less
13 than $\frac{1}{4}$ of 1%, then the final rate shall be $\frac{2}{5}$ of 1% in the case of an
14 employer whose preliminary rate is determined as provided in (D)(2)
15 hereof, $\frac{7}{10}$ of 1% in the case of an employer whose preliminary rate
16 is determined as provided in (D)(1) and (D)(3) hereof, and 1.1% in the
17 case of an employer whose preliminary rate is determined as provided
18 in (D)(4) hereof. Notwithstanding any other provision of law or any
19 determination made by the controller with respect to any 12-month
20 period commencing on July 1, 1970, the final rates for all employers
21 for the period beginning January 1, 1971, shall be as set forth herein.
22 (cf: P.L.2003, c.107, s.3)

23

24 ¹[2.] 3.¹ Section 29 of P.L.1992, c.160 (C.43:21-7b) is amended
25 to read as follows:

26 29. a. Beginning January 1, 1993 until December 31, 1995, except
27 as provided pursuant to subsection b. of this section, each employee
28 shall, in such a manner and at such times as determined by the
29 commissioner, contribute to the fund an amount equal to 0.6% of the
30 employee's taxable wages.

31 Beginning April 1, 1996 through December 31, 1996, each
32 employee shall, in such a manner and at such times as determined by
33 the commissioner, contribute to the fund an amount equal to 0.6% of
34 the employee's taxable wages, except that the total amount contributed
35 to the fund when combined with the employee's contribution made
36 pursuant to R.S.43:31-7(d)(1)(D) for the period January 1, 1996
37 through March 31, 1996, shall not exceed 0.6% of the employee's
38 taxable wages for the 1996 calendar year.

39 Beginning January 1, 1997 through December 31, 1997, each
40 employee shall, in such a manner and at such times as determined by
41 the commissioner, contribute to the fund an amount equal to 0.5% of
42 the employee's taxable wages.

43 Beginning on January 1, 1998 until December 31, 1998, each
44 employee shall, in such a manner and at such times as determined by
45 the commissioner, contribute to the fund an amount equal to 0.30% of
46 the employee's taxable wages.

1 Beginning on January 1, 1999 until December 31, 1999, each
2 employee shall, in such a manner and at such times as determined by
3 the commissioner, contribute to the fund an amount equal to 0.25% of
4 the employee's taxable wages.

5 Beginning on January 1, 2000 until June 30, 2004, each employee
6 shall, in such a manner and at such times as determined by the
7 commissioner, contribute to the fund an amount equal to 0.20% of the
8 employee's taxable wages.

9 Also beginning on January 1, 1993 until December 31, 1995 and
10 beginning April 1, 1996 until December 31, 1997, each employer shall,
11 in such a manner and at such times as determined by the commissioner,
12 contribute to the fund an amount equal to the amount that the
13 employer's contribution to the unemployment compensation fund is
14 decreased pursuant to subparagraph (H) of paragraph (5) of subsection
15 (c) of R.S.43:21-7.

16 Also beginning on January 1, 1998 until December 31, 2000, and
17 beginning on January 1, 2002 and ending June 30, [2004] 2005, each
18 employer shall, in such a manner and at such times as determined by
19 the commissioner, contribute to the fund an amount equal to the
20 amount that the employer's contribution to the unemployment
21 compensation fund is decreased pursuant to subparagraph (H) of
22 paragraph (5) of subsection (c) of R.S.43:21-7.

23 b. If the unemployment compensation fund reserve ratio, as
24 determined pursuant to paragraph (5) of subsection (c) of
25 R.S.43:21-7, decreases to a level of less than 4.00% on March 31 of
26 calendar year 1994 or calendar year 1995, the provisions of subsection
27 a. of this section shall cease to be in effect as of July 1 of that calendar
28 year and each employer who would be subject to making the
29 contributions pursuant to subsection a. of this section if that
30 subsection were in effect shall, beginning on July 1 of that calendar
31 year, contribute to the fund an amount equal to 0.62% of the total
32 wages paid by the employer and shall continue to contribute that
33 amount until December 31, 1995.

34 c. If the total amount of contributions to the fund pursuant to this
35 section during the calendar year 1993 exceeds \$600 million, all
36 contributions which exceed \$600 million shall be deposited in the
37 unemployment compensation fund. If the total amount of
38 contributions to the fund pursuant to this section during calendar year
39 1994 or calendar year 1995 exceeds \$500 million, all contributions
40 which exceed \$500 million shall be deposited in the unemployment
41 compensation fund. If the total amount of contributions made to the
42 fund pursuant to this section for the calendar year 1996 or 1997
43 exceeds \$330 million, all contributions which exceed \$330 million in
44 calendar year 1996 or 1997 shall be deposited in the unemployment
45 compensation fund. If the total amount of contributions made to the
46 fund pursuant to this section for the calendar year 1998 exceeds \$288

1 million, all contributions which exceed \$288 million in the calendar
2 year 1998 shall be deposited in the unemployment compensation fund.
3 If the total amount of contributions made to the fund pursuant to this
4 section for the calendar year 1999 exceeds \$233.9 million, all
5 contributions which exceed \$233.9 million in the calendar year 1999
6 shall be deposited in the unemployment compensation fund. If the
7 total amount of contributions made to the fund pursuant to this section
8 for the calendar year 2000 exceeds \$178.6 million, all contributions
9 which exceed \$178.6 million in the calendar year 2000 shall be
10 deposited in the unemployment compensation fund. If the total
11 amount of contributions made to the fund pursuant to this section for
12 the calendar year 2001 exceeds \$94.9 million, all contributions which
13 exceed \$94.9 million in the calendar year 2001 shall be deposited in
14 the unemployment compensation fund. If the total amount of
15 contributions made to the fund pursuant to this section for the period
16 beginning January 1, 2002 and ending June 30, 2002 exceeds \$516.5
17 million, all contributions which exceed \$516.5 million in the period
18 beginning January 1, 2002 and ending June 30, 2002 shall be deposited
19 in the unemployment compensation fund. If the total amount of
20 contributions made to the fund pursuant to this section for the fiscal
21 year 2003 or fiscal year 2004 exceeds \$325 million, all contributions
22 which exceed \$325 million in the fiscal year 2003 or fiscal year 2004
23 shall be deposited in the unemployment compensation fund. If the
24 total amount of contributions made to the fund pursuant to this section
25 for the fiscal year 2005 exceeds \$100 million, all contributions which
26 exceed \$100 million in the fiscal year 2005 shall be deposited in the
27 unemployment compensation fund.

28 d. All necessary administrative costs related to the collection of
29 contributions pursuant to this section shall be paid from the
30 contributions.

31 (cf: P.L.2003, c.107, s.4)

32

33 ¹⁴. Section 8 of P.L.1992, c.47 (C.43:21-64) is amended to read
34 as follows:

35 8. a. Whenever the Commissioner of Labor determines that the
36 total amount of additional benefits paid pursuant to this act [during a
37 calendar year] has become greater than [1.5% of the amount of the
38 balance in the unemployment trust fund on the immediately preceding]
39 2.0% of the sum of balances in the unemployment trust fund on every
40 December 31 since the effective date of P.L.1992, c.47 (C.43:21-57
41 et seq.), the commissioner shall, during the period lasting until the end
42 of [that] the calendar year in which the determination is made,
43 prohibit any additional individuals from beginning to receive additional
44 benefits pursuant to this act and shall end the prohibition at the end of
45 that calendar year.

46 b. The Department of Labor shall, during any period in which the

1 commissioner prohibits additional individuals from beginning to
2 receive additional benefits pursuant to subsection a. of this section,
3 continue to provide any otherwise eligible individual with:

- 4 (1) The notice required pursuant to section 6 of this act;
5 (2) The counseling required pursuant to section 3 of this act; and
6 (3) The opportunity for the individual to notify the department of
7 the individual's intention to enter into remedial education or vocational
8 training pursuant to subsection d. of section 4 of this act. Any
9 individual who, during the period in which the commissioner prohibits
10 additional individuals from beginning to receive additional benefits
11 pursuant to subsection a. of this section, meets the requirements of
12 section 4 of this act shall be permitted to receive additional benefits
13 pursuant to this act after the commissioner has ended the prohibition
14 pursuant to subsection **[b.] a.** of this section.

15 c. Additional benefits paid pursuant to this act shall continue for
16 any individual who, at the time that the commissioner imposes the
17 prohibition pursuant to subsection a. of this section, is already
18 receiving the additional benefits or has already enrolled in the training
19 or education identified in the Employability Development Plan
20 developed pursuant to section 3 of this act.¹

21 (cf: P.L.1992, c.47, s.8)

22

23 ¹**[3.] 5.**¹ This act shall take effect immediately.