

[First Reprint]

**SENATE, No. 3714**

---

**STATE OF NEW JERSEY**  
**219th LEGISLATURE**

---

INTRODUCED MAY 6, 2021

**Sponsored by:**

**Senator FRED H. MADDEN, JR.**

**District 4 (Camden and Gloucester)**

**Senator VIN GOPAL**

**District 11 (Monmouth)**

**Co-Sponsored by:**

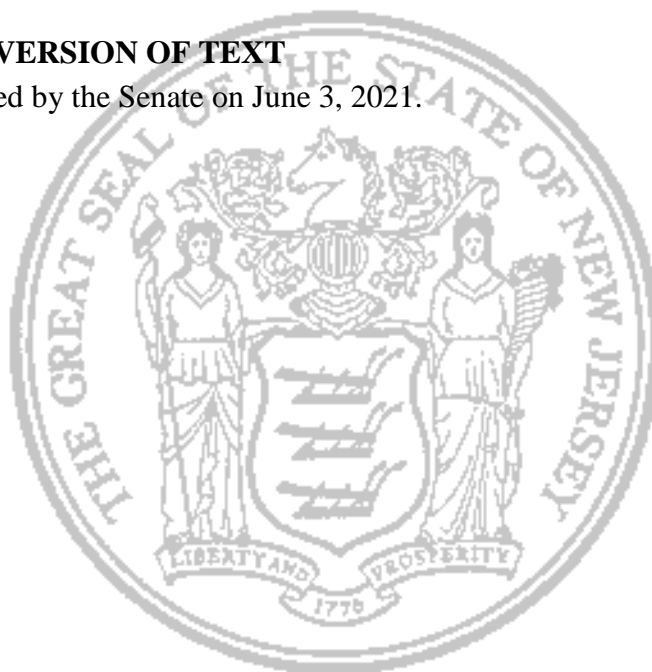
**Senators T.Kean, Lagana, Singleton, Testa, A.M.Bucco, O'Scanlon, Oroho,  
Addiego, Corrado and Weinberg**

**SYNOPSIS**

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

**CURRENT VERSION OF TEXT**

As amended by the Senate on June 3, 2021.



**(Sponsorship Updated As Of: 6/3/2021)**

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

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

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

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

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

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Senate floor amendments adopted June 3, 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. <sup>1</sup>【There is appropriated from the General Fund the sum of  
6 \$50 million to】 a. From the funds provided by the federal  
7 government in connection with the COVID-19 pandemic pursuant  
8 to the federal CARES Act, Pub.L.116-136, pursuant to section 9012  
9 of the American Rescue Plan Act of 2021, Pub.L.117-2, or pursuant  
10 to any other applicable federal law, any portions of those funds  
11 which are available and permitted by those laws shall<sup>1</sup> be used <sup>1</sup>as  
12 needed<sup>1</sup> to reimburse the unemployment compensation fund for any  
13 costs of providing State liability relief to employers pursuant to  
14 subsection b. of section 1 of P.L.2020, c.150 (C.43:21-7.9).

15 <sup>1</sup>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  
18 reimburse the unemployment compensation fund to pay any  
19 remaining costs of providing State liability relief to employers  
20 pursuant to subsection b. of section 1 of P.L.2020, c.150 (C.43:21-  
21 7.9).<sup>1</sup>

22

23 3. This act shall take effect immediately.