SENATE, No. 733

STATE OF NEW JERSEY

220th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2022 SESSION

Sponsored by:
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District 4 (Camden and Gloucester)
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Co-Sponsored by:
Senators Pou, A.M.Bucco and Testa

SYNOPSIS
Allocates sufficient funds to unemployment compensation fund from federal government assistance and halts increases in employer unemployment taxes related to benefits paid during coronavirus disease 2019 pandemic state of emergency.

CURRENT VERSION OF TEXT
Introduced Pending Technical Review by Legislative Counsel.

(Sponsorship Updated As Of: 3/7/2022)
AN ACT concerning employer contributions to the unemployment compensation fund, amending R.S.43:21-7, and allocating federal government assistance to the unemployment compensation fund.

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

1. (New section) a. Out of the amounts of federal government assistance from the “American Rescue Plan Act of 2021,” Pub.L. 117-2, provided to this State which may be available for unemployment compensation purposes, sufficient funds shall be annually deposited into the unemployment compensation fund to pay back the balance in federal unemployment insurance loan advances, pursuant to Title XII of the Social Security Act (42 U.S.C. s. 1321 et seq.), as of the end of each fiscal year 2022, 2023, and 2024.

b. Annually after any deposit of federal government assistance into the unemployment compensation fund, pursuant to subsection a. of this section, the Commissioner of Labor and Workforce Development shall submit a report to the Legislature, which shall include information concerning the solvency of the unemployment compensation fund. The report shall include, but need not be limited to:

   (1) the total amount of federal loan advances that were paid back as of the day of the report;

   (2) the Department of Labor and Workforce Development’s estimate on the total funds needed to be deposited by the March 31 trigger to avoid an increase in the calculation of the contribution rate for employers if the employment market remains unchanged at the end of the calendar year;

   (3) the department’s estimate on the total funds needed to be deposited by the March 31 trigger to reduce a column in the calculation of the contribution rate for employers if the employment market remains unchanged at the end of the calendar year;

   (4) the department’s estimate concerning the aggregate cost to employers for a column increase or decrease in the contribution rate calculation; and

   (5) the department’s estimate concerning the time it would take to reduce each column in the contribution rate calculation based on natural historic employment growth in-between economic downturns without any deposit pursuant to subsection a. of this section.

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.
R.S.43:21-7 is amended to read as follows:

Employers other than governmental entities, whose benefit financing provisions are set forth in section 4 of P.L.1971, c.346 (C.43:21-7.3), and those nonprofit organizations liable for payment in lieu of contributions on the basis set forth in section 3 of P.L.1971, c.346 (C.43:21-7.2), shall pay to the controller for the unemployment compensation fund, contributions as set forth in subsections (a), (b) and (c) hereof, and the provisions of subsections (d) and (e) shall be applicable to all employers, consistent with the provisions of the "unemployment compensation law" and the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et al.).

(a) Payment.

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

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

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

(1) For the calendar year 1947, and each calendar year thereafter, 2.7/10% of wages paid by him during each such calendar year, except as otherwise prescribed by subsection (c) of this section.

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

(3) For calendar years beginning on and after January 1, 1976,
the "wages" of any individual, as defined in the preceding
paragraph (2) of this subsection (b), shall be established and
promulgated by the Commissioner of Labor and Workforce
Development on or before September 1 of the preceding year and,
except as provided in paragraph (4) of this subsection (b), shall be,
28 times the Statewide average weekly remuneration paid to
workers by employers, as determined under R.S.43:21-3(c), raised
to the next higher multiple of $100.00 if not already a multiple
thereof, provided that if the amount of wages so determined for a
calendar year is less than the amount similarly determined for the
preceding year, the greater amount will be used; provided, further,
that if the amount of such wages so determined does not equal or
exceed the amount of wages as defined in subsection (b) of section
3306 of the Internal Revenue Code of 1986 (26 U.S.C. s.3306(b)),
the wages as determined in this paragraph in any calendar year shall
be raised to equal the amount established under the "Federal
Unemployment Tax Act," chapter 23 of the Internal Revenue Code
of 1986 (26 U.S.C. s.3301 et seq.), for that calendar year.

(4) For calendar years beginning on and after January 1, 2020,
the "wages" of any individual, as defined in the preceding
paragraph (2) of this subsection (b) for purposes of contributions of
workers to the State disability benefits fund, including the "Family
Temporary Disability Leave Account" pursuant to subsection (d) of
this section, shall be established and promulgated by the
Commissioner of Labor and Workforce Development on or before
September 1 of the preceding year and shall be 107 times the
Statewide average weekly remuneration paid to workers by
employers, as determined under R.S.43:21-3(c), raised to the next
higher multiple of $100.00 if not already a multiple thereof,
provided that if the amount of wages so determined for a calendar
year is less than the amount similarly determined for the preceding
year, the greater amount will be used.

(c) Future rates based on benefit experience.

(1) A separate account for each employer shall be maintained
and this shall be credited with all the contributions which he has
paid on his own behalf on or before January 31 of any calendar year
with respect to employment occurring in the preceding calendar
year; provided, however, that if January 31 of any calendar year
falls on a Saturday or Sunday, an employer's account shall be
credited as of January 31 of such calendar year with all the
contributions which he has paid on or before the next succeeding
day which is not a Saturday or Sunday. But nothing in this chapter
(R.S.43:21-1 et seq.) shall be construed to grant any employer or
individuals in his service prior claims or rights to the amounts paid
by him into the fund either on his own behalf or on behalf of such
individuals. Benefits paid with respect to benefit years commencing
on and after January 1, 1953, to any individual on or before
December 31 of any calendar year with respect to unemployment in
such calendar year and in preceding calendar years shall be charged
against the account or accounts of the employer or employers in
whose employment such individual established base weeks
constituting the basis of such benefits, except that, with respect to
benefit years commencing after January 4, 1998, an employer's
account shall not be charged for benefits paid to a claimant if the
claimant's employment by that employer was ended in any way
which, pursuant to subsection (a), (b), (c), (f), (g) or (h) of
R.S.43:21-5, would have disqualified the claimant for benefits if the
claimant had applied for benefits at the time when that employment
ended. Benefits paid under a given benefit determination shall be
charged against the account of the employer to whom such
determination relates. When each benefit payment is made,
notification shall be promptly provided to each employer included
in the unemployment insurance monetary calculation of benefits.
Such notification shall identify the employer against whose account
the amount of such payment is being charged, shall show at least
the name and social security account number of the claimant and
shall specify the period of unemployment to which said benefit
payment applies.

An annual summary statement of unemployment benefits
charged to the employer's account shall be provided.

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

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

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

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

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

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

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

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

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

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

(8) 4/10 of 1%, if such excess equals or exceeds 11% of his
average annual payroll.

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

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

(2) 4 3/10%, if such excess equals or exceeds 10%, but is less
than 20%, of his average annual payroll;

(3) 4 6/10%, if such excess equals or exceeds 20% of his
average annual payroll.

(C) Specially assigned rates.

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

if the reserve balance in its account is positive, its assigned rate
shall be the highest rate in effect for positive balance accounts for
that period, or 5.4%, whichever is higher, and

if the reserve balance in its account is negative, its assigned rate
shall be the highest rate in effect for deficit accounts for that period.

(ii) If, following the purchase of a corporation with little or no
activity, known as a corporate shell, the resulting employing unit
operates a new or different business activity, the employing unit
shall be assigned a new employer rate.

(iii) Entities operating under common ownership, management or
control, when the operation of the entities is not identifiable,
distinguishable and severable, shall be considered a single employer for the purposes of this chapter (R.S.43:21-1 et seq.).

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

(5) (A) Unemployment Trust Fund Reserve Ratio. If on March 31 of any calendar year the balance in the unemployment trust fund equals or exceeds 4% but is less than 7% of the total taxable wages reported to the controller as of that date in respect to employment during the preceding calendar year, the contribution rate, effective July 1 following, of each employer eligible for a contribution rate calculation based upon benefit experience, shall be increased by 3/10 of 1% over the contribution rate otherwise established under the provisions of paragraph (3) or (4) of this subsection. If on March 31 of any calendar year the balance of the unemployment trust fund exceeds 2 1/2% but is less than 4% of the total taxable wages reported to the controller as of that date in respect to employment during the preceding calendar year, the contribution rate, effective July 1 following, of each employer eligible for a contribution rate calculation based upon benefit experience, shall be increased by 6/10 of 1% over the contribution rate otherwise established under the provisions of paragraph (3) or (4) of this subsection.

If on March 31 of any calendar year the balance of the unemployment trust fund is less than 2 1/2% of the total taxable wages reported to the controller as of that date in respect to employment during the preceding calendar year, the contribution rate, effective July 1 following, of each employer: (1) eligible for a contribution rate calculation based upon benefit experience, shall be increased by (i) 6/10 of 1% over the contribution rate otherwise established under the provisions of paragraph (3), (4)(A) or (4)(B) of this subsection, and (ii) an additional amount equal to 20% of the total rate established herein, provided, however, that the final contribution rate for each employer shall be computed to the nearest multiple of 1/10% if not already a multiple thereof; (2) not eligible for a contribution rate calculation based upon benefit experience, shall be increased by 6/10 of 1% over the contribution rate otherwise established under the provisions of paragraph (4) of this subsection. For the period commencing July 1, 1984 and ending June 30, 1986, the contribution rate for each employer liable to pay contributions under R.S.43:21-7 shall be increased by a factor of 10% computed to the nearest multiple of 1/10% if not already a multiple thereof.

(B) If on March 31 of any calendar year the balance in the unemployment trust fund equals or exceeds 10% but is less than 12 1/2% of the total taxable wages reported to the controller as of that date in respect to employment during the preceding calendar year,
the contribution rate, effective July 1 following, of each employer
eligible for a contribution rate calculation based upon benefit
experience, shall be reduced by 3/10 of 1% under the contribution
rate otherwise established under the provisions of paragraphs (3)
and (4) of this subsection; provided that in no event shall the
contribution rate of any employer be reduced to less than 4/10 of
1%. If on March 31 of any calendar year the balance in the
unemployment trust fund equals or exceeds 12 1/2% of the total
taxable wages reported to the controller as of that date in respect to
employment during the preceding calendar year, the contribution
rate, effective July 1 following, of each employer eligible for a
contribution rate calculation based upon benefit experience, shall be
reduced by 6/10 of 1% if his account for all past periods reflects an
excess of contributions paid over total benefits charged of 3% or
more of his average annual payroll, otherwise by 3/10 of 1% under
the contribution rate otherwise established under the provisions of
paragraphs (3) and (4) of this subsection; provided that in no event
shall the contribution rate of any employer be reduced to less than
4/10 of 1%.

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

(D) Prior to July 1 of each calendar year the controller shall
determine the Unemployment Trust Fund Reserve Ratio, which
shall be calculated by dividing the balance of the unemployment
trust fund as of the prior March 31 by total taxable wages reported
to the controller by all employers as of March 31 with respect to
their employment during the last calendar year.

(E) (i) (Deleted by amendment, P.L.1997, c.263).
(iii) (Deleted by amendment, P.L.2003, c.107).
(iv) (Deleted by amendment, P.L.2004, c.45).
(v) (Deleted by amendment, P.L.2008, c.17).
(vi) (Deleted by amendment, P.L.2013, c.75).
(vii) With respect to experience rating years beginning on or
after July 1, 2011, the new employer rate or the unemployment
experience rate of an employer under this section shall be the rate
which appears in the column headed by the Unemployment Trust
Fund Reserve Ratio as of the applicable calculation date and on the
line with the Employer Reserve Ratio, as defined in paragraph (4)
of this subsection (R.S.43:21-7 (c)(4)), as set forth in the following
table:
# EXPERIENCE RATING TAX TABLE

<table>
<thead>
<tr>
<th>Fund Reserve Ratio1</th>
<th>Employer Reserve Ratio (Contributions minus benefits as a percentage of employer's taxable wages).</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund balance as of March 31 as a percentage of taxable wages</td>
<td>(i) (Deleted by amendment, P.L.1997, c.263).</td>
</tr>
<tr>
<td>in the prior calendar year.</td>
<td>(ii) (Deleted by amendment, P.L.2008, c.17).</td>
</tr>
<tr>
<td>Employer Reserve Ratio (Contributions minus benefits as a percentage of employer's taxable wages).</td>
<td>(iii) (Deleted by amendment, P.L.2013, c.75).</td>
</tr>
<tr>
<td>(iv) With respect to experience rating years beginning on or after July 1, 2011 and before July 1, 2013, if the fund reserve ratio, based on the fund balance as of the prior March 31, is less than 1.0%, the contribution rate for each employer liable to pay contributions, as</td>
<td>3.50% 3.00% 2.5% 2.0% 1.99%</td>
</tr>
<tr>
<td>17% and over</td>
<td>3.4%</td>
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<tr>
<td>16.00% to 16.99%</td>
<td>3.4%</td>
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<tr>
<td>15.00% to 15.99%</td>
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<td>14.00% to 14.99%</td>
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<tr>
<td>0.00% to 0.99%</td>
<td>3.4%</td>
</tr>
<tr>
<td>Deficit Reserve Ratio:</td>
<td>3.4%</td>
</tr>
<tr>
<td>-0.00% to -2.99%</td>
<td>3.4%</td>
</tr>
<tr>
<td>-3.00% to -5.99%</td>
<td>3.4%</td>
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<tr>
<td>-6.00% to -8.99%</td>
<td>3.4%</td>
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<tr>
<td>-9.00% to -11.99%</td>
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<tr>
<td>-12.00% to -14.99%</td>
<td>3.4%</td>
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<tr>
<td>-15.00% to -19.99%</td>
<td>3.4%</td>
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<tr>
<td>-20.00% to -24.99%</td>
<td>3.4%</td>
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<tr>
<td>-25.00% to -29.99%</td>
<td>3.4%</td>
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<tr>
<td>-30.00% to -34.99%</td>
<td>3.4%</td>
</tr>
<tr>
<td>-35.00% and under</td>
<td>3.4%</td>
</tr>
<tr>
<td>New Employer Rate</td>
<td>3.4%</td>
</tr>
</tbody>
</table>
computed under subparagraph (E) of this paragraph (5), shall be increased by a factor of 10% computed to the nearest multiple of 1/10% if not already a multiple thereof.

(v) With respect to experience rating years beginning on or after July 1, 2014, if the fund reserve ratio, based on the fund balance as of the prior March 31, is less than 1.0%, the contribution rate for each employer liable to pay contributions, as computed under subparagraph (E) of this paragraph (5), shall be increased by a factor of 10% computed to the nearest multiple of 1/10% if not already a multiple thereof.

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

(H) On and after January 1, 1998 until December 31, 2000 and on or after January 1, 2002 until June 30, 2006, the contribution rate for each employer liable to pay contributions, as computed under subparagraph (E) of this paragraph (5), shall be decreased by a factor, as set out below, computed to the nearest multiple of 1/10%, except that, if an employer has a deficit reserve ratio of negative 35.0% or under, the employer's rate of contribution shall not be reduced pursuant to this subparagraph (H) to less than 5.4%:

- From January 1, 1998 until December 31, 1998, a factor of 12%;
- From January 1, 1999 until December 31, 1999, a factor of 10%;
- From January 1, 2000 until December 31, 2000, a factor of 7%;
- From January 1, 2002 until March 31, 2002, a factor of 36%;
- From April 1, 2002 until June 30, 2002, a factor of 85%;
- From July 1, 2002 until June 30, 2003, a factor of 15%;
- From July 1, 2003 until June 30, 2004, a factor of 15%;
- From July 1, 2004 until June 30, 2005, a factor of 7%;
- From July 1, 2005 until December 31, 2005, a factor of 16%; and
- From January 1, 2006 until June 30, 2006, a factor of 34%.

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

(I) (Deleted by amendment, P.L.2008, c.17).
(J) On or after July 1, 2001, notwithstanding any other provisions of this paragraph (5), the contribution rate for each employer liable to pay contributions, as computed under subparagraph (E) of this paragraph (5), shall be decreased by 0.0175%, except that, during any experience rating year starting on or after July 1, 2001, in which the fund reserve ratio is equal to or greater than 3.5%, there shall be no decrease pursuant to this subparagraph (J) in the contribution of any employer who has a deficit reserve ratio of negative 35.00% or under. The amount of the reduction in the employer contributions stipulated by this subparagraph (J) shall be in addition to the amount of the reduction in the employer contributions stipulated by subparagraphs (G) and (H) of this paragraph (5), except that the rate of contribution of an employer who has a deficit reserve ratio of negative 35.0% or under shall not be reduced pursuant to this subparagraph (J) to less than 5.4% and the rate of contribution of any other employer shall not be reduced to less than 0.0%.

(K) With respect to experience rating years beginning on or after July 1, 2009, if the fund reserve ratio, based on the fund balance as of the prior March 31, is:

(i) Equal to or greater than 5.00% but less than 7.5%, the contribution rate for each employer liable to pay contributions, as computed under subparagraph (E) of this paragraph (5), shall be reduced by a factor of 25% computed to the nearest multiple of 1/10% if not already a multiple thereof except that there shall be no decrease pursuant to this subparagraph (K) in the contribution of any employer who has a deficit reserve ratio of 35.00% or under;

(ii) Equal to or greater than 7.5%, the contribution rate for each employer liable to pay contributions, as computed under subparagraph (E) of this paragraph (5), shall be reduced by a factor of 50% computed to the nearest multiple of 1/10% if not already a multiple thereof except that there shall be no decrease pursuant to this subparagraph (K) in the contribution of any employer who has a deficit reserve ratio of 35.00% or under.

(L) Notwithstanding any other provision of this paragraph (5) and notwithstanding the actual fund reserve ratio, the contribution rate for employers liable to pay contributions, as computed under subparagraph (E) of this paragraph (5), shall be, for fiscal year 2011, the rates set by column "C" of the table in that subparagraph.

(M) Notwithstanding any other provision of this paragraph (5) and notwithstanding the actual fund reserve ratio, the contribution rate for employers liable to pay contributions, as computed under subparagraph (E) of this paragraph (5), shall be, for fiscal year 2012, the rates set by column "D" of the table in that subparagraph.

(N) Notwithstanding any other provision of this paragraph (5) and notwithstanding the actual fund reserve ratio, the contribution rate for employers liable to pay contributions, as computed under
subparagraph (E) of this paragraph (5), shall be, for fiscal year 2013, the rates set by column "E" of the table in that subparagraph.

(O) Notwithstanding any other provision of this paragraph (5) and notwithstanding the actual fund reserve ratio, the contribution rate for employers liable to pay contributions, as computed under subparagraph (E) of this paragraph (5), shall be, for fiscal year 2022, the rates set by column "C" of the table in that subparagraph.

(P) Notwithstanding any other provision of this paragraph (5) and notwithstanding the actual fund reserve ratio, the contribution rate for employers liable to pay contributions, as computed under subparagraph (E) of this paragraph (5), shall be, for fiscal year 2023, the rates set by column "D" of the table in that subparagraph, unless the application of the provisions of this paragraph (5) using the actual fund reserve ratio would result in the contribution rate for employers being set by a column which has lower tax rates than the rates in column "D", in which case the employers shall be liable to pay contributions at the rates set by the column with the lower tax rates.

(Q) Notwithstanding any other provision of this paragraph (5) and notwithstanding the actual fund reserve ratio, the contribution rate for employers liable to pay contributions, as computed under subparagraph (E) of this paragraph (5), shall be, for fiscal year 2024, the rates set by column "D" of the table in that subparagraph, unless the application of the provisions of this paragraph (5) using the actual fund reserve ratio would result in the contribution rate for employers being set by a column which has lower tax rates than the rates in column "D", in which case the employers shall be liable to pay contributions at the rates set by the column with the lower tax rates.

(6) Additional contributions.

Notwithstanding any other provision of law, any employer who has been assigned a contribution rate pursuant to subsection (c) of this section for the year commencing July 1, 1948, and for any year commencing July 1 thereafter, may voluntarily make payment of additional contributions, and upon such payment shall receive a recomputation of the experience rate applicable to such employer, including in the calculation the additional contribution so made, except that, following a transfer as described under R.S.43:21-7(c)(7)(D), neither the predecessor nor successor in interest shall be eligible to make a voluntary payment of additional contributions during the year the transfer occurs and the next full calendar year. Any such additional contribution shall be made during the 30-day period following the notification to the employer of his contribution rate as prescribed in this section, unless, for good cause, the time for payment has been extended by the controller for not to exceed an additional 60 days; provided that in no event may such payments which are made later than 120 days after the beginning of the year for which such rates are effective be considered in determining the
experience rate for the year in which the payment is made. Any employer receiving any extended period of time within which to make such additional payment and failing to make such payment timely shall be, in addition to the required amount of additional payment, liable for a penalty of 5% thereof or $5.00, whichever is greater, not to exceed $50.00. Any adjustment under this subsection shall be made only in the form of credits against accrued or future contributions.

(7) Transfers.

(A) Upon the transfer of the organization, trade or business, or substantially all the assets of an employer to a successor in interest, whether by merger, consolidation, sale, transfer, descent or otherwise, the controller shall transfer the employment experience of the predecessor employer to the successor in interest, including credit for past years, contributions paid, annual payrolls, benefit charges, et cetera, applicable to such predecessor employer, pursuant to regulation, if it is determined that the employment experience of the predecessor employer with respect to the organization, trade, assets or business which has been transferred may be considered indicative of the future employment experience of the successor in interest. The successor in interest may, within four months of the date of such transfer of the organization, trade, assets or business, or thereafter upon good cause shown, request a reconsideration of the transfer of employment experience of the predecessor employer. The request for reconsideration shall demonstrate, to the satisfaction of the controller, that the employment experience of the predecessor is not indicative of the future employment experience of the successor.

(B) An employer who transfers part of his or its organization, trade, assets or business to a successor in interest, whether by merger, consolidation, sale, transfer, descent or otherwise, may jointly make application with such successor in interest for transfer of that portion of the employment experience of the predecessor employer relating to the portion of the organization, trade, assets or business transferred to the successor in interest, including credit for past years, contributions paid, annual payrolls, benefit charges, et cetera, applicable to such predecessor employer. The transfer of employment experience may be allowed pursuant to regulation only if it is found that the employment experience of the predecessor employer with respect to the portion of the organization, trade, assets or business which has been transferred may be considered indicative of the future employment experience of the successor in interest. Credit shall be given to the successor in interest only for the years during which contributions were paid by the predecessor employer with respect to that part of the organization, trade, assets or business transferred.

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

(D) If an employer transfers in whole or in part his or its organization, trade, assets or business to a successor in interest, whether by merger, consolidation, sale, transfer, descent or otherwise and both the employer and successor in interest are at the time of the transfer under common ownership, management or control, then the employment experience attributable to the transferred business shall also be transferred to and combined with the employment experience of the successor in interest. The transfer of the employment experience is mandatory and not subject to appeal or protest.

(E) The transfer of part of an employer's employment experience to a successor in interest shall become effective as of the first day of the calendar quarter following the acquisition by the successor in interest. As of the effective date, the successor in interest shall have its employer rate recalculated by merging its existing employment experience, if any, with the employment experience acquired. If the successor in interest is not an employer as of the date of acquisition, it shall be assigned the new employer rate until the effective date of the transfer of employment experience.

(F) Upon the transfer in whole or in part of the organization, trade, assets or business to a successor in interest, the employment experience shall not be transferred if the successor in interest is not an employer at the time of the acquisition and the controller finds that the successor in interest acquired the business solely or primarily for the purpose of obtaining a lower rate of contributions.

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

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

(B) Effective January 1, 1978 there shall be no contributions by workers in the employ of any governmental or nongovernmental employer electing or required to make payments in lieu of contributions unless the employer is covered by the State plan under the "Temporary Disability Benefits Law" (C.43:21-25 et al.), and in that case contributions shall be at the rate of 1/2 of 1%, except that commencing July 1, 1986, workers in the employ of any nongovernmental employer electing or required to make payments in lieu of contributions shall be required to make contributions to the fund at the same rate prescribed for workers of other nongovernmental employers.

(C) (i) Notwithstanding the above provisions of this paragraph (1), during the period starting July 1, 1986 and ending December 31, 1992, each worker shall contribute to the fund 1.125% of wages paid with respect to his employment with a governmental employer electing or required to pay contributions or nongovernmental employer, including a nonprofit organization which is an employer as defined under R.S.43:21-19(h)(6), regardless of whether that nonprofit organization elects or is required to finance its benefit costs with contributions to the fund or by payments in lieu of contributions, after that employer has satisfied the conditions set forth in subsection R.S.43:21-19(h) with respect to becoming an employer. Contributions, however, shall be at the rate of 0.625% while the worker is covered by an approved private plan under the "Temporary Disability Benefits Law" or while the worker is exempt under section 7 of that law, P.L.1948, c.110 (C.43:21-31) or any other provision of that law; provided that such contributions shall be at the rate of 0.625% of wages paid with respect to employment with the State of New Jersey or any other governmental entity or instrumentality electing or required to make payments in lieu of contributions and which is covered by the State plan under the "Temporary Disability Benefits Law," except that, while the worker is exempt from the provisions of the "Temporary Disability Benefits Law" under section 7 of that law, P.L.1948, c.110 (C.43:21-31) or any other provision of that law, or is covered for disability benefits by an approved private plan of the employer, the contributions to the fund shall be 0.125%.

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

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

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

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

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

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

Each worker shall, starting on January 1, 2002 until June 30, 2004, contribute to the unemployment compensation fund 0.1825% of wages paid with respect to the worker's employment with a governmental employer electing or required to pay contributions or a nongovernmental employer, including a nonprofit organization which is an employer as defined under paragraph (6) of subsection (h) of R.S.43:21-19, regardless of whether that nonprofit organization elects or is required to finance its benefit costs with contributions to the fund or by payments in lieu of contributions, after that employer has satisfied the conditions set forth in subsection (h) of R.S.43:21-19 with respect to becoming an employer, provided that the contributions shall be at the rate of 0.0825% of wages paid with respect to employment with the State of New Jersey or any other governmental entity or instrumentality electing or required to make payments in lieu of contributions.
Each worker shall, starting on and after July 1, 2004, contribute to the unemployment compensation fund 0.3825% of wages paid with respect to the worker's employment with a governmental employer electing or required to pay contributions or nongovernmental employer, including a nonprofit organization which is an employer as defined under paragraph (6) of subsection (h) of R.S.43:21-19, regardless of whether that nonprofit organization elects or is required to finance its benefit costs with contributions to the fund or by payments in lieu of contributions, after that employer has satisfied the conditions set forth in subsection (h) of R.S.43:21-19 with respect to becoming an employer, provided that the contributions shall be at the rate of 0.0825% of wages paid with respect to employment with the State of New Jersey or any other governmental entity or instrumentality electing or required to make payments in lieu of contributions.

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

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

(G) (i) Each worker, with respect to the worker's employment with a government employer electing or required to pay contributions to the State disability benefits fund or nongovernmental employer, including a nonprofit organization which is an employer as defined under paragraph (6) of subsection (h) of R.S.43:21-19, unless the employer is covered by an approved private disability plan or is exempt from the provisions of the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et al.) under section 7 of that law (C.43:21-31) or any other provision of that law, shall, for calendar year 2012 and each subsequent calendar year, make contributions to the State disability benefits fund at the annual rate of contribution necessary to obtain a total amount of contributions, which, when added to employer contributions made to the State disability benefits fund pursuant to subsection (e) of this section, is, for calendar years prior to calendar year 2018, equal to 120% of the benefits paid for periods of
disability, excluding periods of family temporary disability, during
the immediately preceding calendar year plus an amount equal to
100% of the cost of administration of the payment of those benefits
during the immediately preceding calendar year, less the amount of
net assets remaining in the State disability benefits fund, excluding
net assets remaining in the "Family Temporary Disability Leave
Account" of that fund, as of December 31 of the immediately
preceding year, and is, for calendar year 2018 and year 2019, equal
to 120% of the benefits paid for periods of disability, excluding
periods of family temporary disability, during the last preceding full
fiscal year plus an amount equal to 100% of the cost of
administration of the payment of those benefits during the last
preceding full fiscal year, less the amount of net assets anticipated
to be remaining in the "Family Temporary Disability Leave
Account" of that fund, as of December 31 of the immediately
preceding calendar year, and is, for each of calendar years 2020 and
2021, equal to 120% of the benefits which the department
anticipates will be paid for periods of disability, excluding periods
of family temporary disability, during the respective calendar year
plus an amount equal to 100% of the cost of administration of the
payment of those benefits which the department anticipates during
the respective calendar year, less the amount of net assets
anticipated to be remaining in the State disability benefits fund,
excluding net assets remaining in the "Family Temporary Disability
Leave Account" of that fund, as of December 31 of the immediately
preceding calendar year, and is, for calendar year 2022 and any
subsequent calendar year, equal to 120% of the benefits paid for
periods of disability, excluding periods of family temporary
disability, during the last preceding full fiscal year plus an amount
equal to 100% of the cost of administration of the payment of those
benefits during the last preceding full fiscal year, less the amount of
net assets anticipated to be remaining in the State disability benefits
fund, excluding net assets remaining in the "Family Temporary
Disability Leave Account" of that fund, as of December 31 of the
immediately preceding calendar year. All increases in the cost of
benefits for periods of disability caused by the increases in the
weekly benefit rate commencing July 1, 2020, pursuant to section
16 of P.L.1948, c.110 (C.43:21-40), shall be funded by
contributions made by workers pursuant to this paragraph (i) and
none of those increases shall be funded by employer contributions.
The estimated rates for the next calendar year shall be made
available on the department's website no later than 60 days after the
end of the last preceding full fiscal year. The rates of employer
contributions determined pursuant to subsection (e) of this section
for any year shall be determined prior to the determination of the
rate of employee contributions pursuant to this subparagraph (i) and
any consideration of employee contributions in determining
employer rates for any year shall be based on amounts of employee
contributions made prior to the year to which the rate of employee
contributions applies and shall not be based on any projection or
estimate of the amount of employee contributions for the year to
which that rate applies.

(ii) Each worker shall contribute to the State disability benefits
fund, in addition to any amount contributed pursuant to
subparagraph (i) of this paragraph (1)(G), an amount equal to,
during calendar year 2009, 0.09%, and during calendar year 2010
0.12%, of wages paid with respect to the worker's employment with
any covered employer, including a governmental employer which is
an employer as defined under R.S.43:21-19(h)(5), unless the
employer is covered by an approved private disability plan for
benefits during periods of family temporary disability leave. The
contributions made pursuant to this subparagraph (ii) to the State
disability benefits fund shall be deposited into an account of that
fund reserved for the payment of benefits during periods of family
temporary disability leave as defined in section 3 of the "Temporary
Disability Benefits Law," P.L.1948, c.110 (C.43:21-27) and for the
administration of those payments and shall not be used for any other
purpose. This account shall be known as the "Family Temporary
Disability Leave Account." For calendar year 2011 and each
subsequent calendar year until 2018, the annual rate of contribution
to be paid by workers pursuant to this subparagraph (ii) shall be, for
calendar years prior to calendar year 2018, the rate necessary to
obtain a total amount of contributions equal to 125% of the benefits
paid for periods of family temporary disability leave during the
immediately preceding calendar year plus an amount equal to 100% of
the cost of administration of the payment of those benefits during
the immediately preceding calendar year, less the amount of net
assets remaining in the account as of December 31 of the
immediately preceding year, and shall be, for calendar year 2018
and calendar year 2019, the rate necessary to obtain a total amount
of contributions equal to 125% of the benefits paid for periods of
family temporary disability leave during the last preceding full
fiscal year plus an amount equal to 100% of the cost of
administration of the payment of those benefits during the last preceding full
fiscal year, less the amount of net assets anticipated to be remaining in the account as of December 31 of the
immediately preceding calendar year. For each of calendar years
2020 and 2021, the annual rate of contribution to be paid by
workers pursuant to this subparagraph (ii) shall be the rate
necessary to obtain a total amount of contributions equal to 125% of
the benefits which the department anticipates will be paid for
periods of family temporary disability leave during the respective
calendar year plus an amount equal to 100% of the cost of
administration of the payment of those benefits which the
department anticipates during the respective calendar year, less the
amount of net assets remaining in the account as of December 31 of
the immediately preceding calendar year. For 2022 and any subsequent calendar year, the annual rate of contribution to be paid by workers pursuant to this subparagraph (ii) shall be the rate necessary to obtain a total amount of contributions equal to 125% of the benefits which were paid for periods of family temporary disability leave during the last preceding full fiscal year plus an amount equal to 100% of the cost of administration of the payment of those benefits during the last preceding full fiscal year, less the amount of net assets remaining in the account as of December 31 of the immediately preceding calendar year. All increases in the cost of benefits for periods of family temporary disability leave caused by the increases in the weekly benefit rate commencing July 1, 2020 pursuant to section 16 of P.L.1948, c.110 (C.43:21-40) and increases in the maximum duration of benefits commencing July 1, 2020 pursuant to sections 14 and 15 of P.L.1948, c.110 (C.43:21-38 and 43:21-39) shall be funded by contributions made by workers pursuant to this paragraph (ii) and none of those increases shall be funded by employer contributions. The estimated rates for the next calendar year shall be made available on the department's website no later than 60 days after the end of the last preceding full fiscal year. Necessary administrative costs shall include the cost of an outreach program to inform employees of the availability of the benefits and the cost of issuing the reports required or permitted pursuant to section 13 of P.L.2008, c.17 (C.43:21-39.4). No monies, other than the funds in the "Family Temporary Disability Leave Account," shall be used for the payment of benefits during periods of family temporary disability leave or for the administration of those payments, with the sole exception that, during calendar years 2008 and 2009, a total amount not exceeding $25 million may be transferred to that account from the revenues received in the State disability benefits fund pursuant to subparagraph (i) of this paragraph (1)(G) and be expended for those payments and their administration, including the administration of the collection of contributions made pursuant to this subparagraph (ii) and any other necessary administrative costs. Any amount transferred to the account pursuant to this subparagraph (ii) shall be repaid during a period beginning not later than January 1, 2011 and ending not later than December 31, 2015. No monies, other than the funds in the "Family Temporary Disability Leave Account," shall be used under any circumstances after December 31, 2009, for the payment of benefits during periods of family temporary disability leave or for the administration of those payments, including for the administration of the collection of contributions made pursuant to this subparagraph (ii).

(2) (A) (Deleted by amendment, P.L.1984, c.24.)
(B) (Deleted by amendment, P.L.1984, c.24.)
(C) (Deleted by amendment, P.L.1994, c.112.)
(D) (Deleted by amendment, P.L.1994, c.112.)
(E) (i) (Deleted by amendment, P.L.1994, c.112.)
(ii) (Deleted by amendment, P.L.1996, c.28.)
(iii) (Deleted by amendment, P.L.1994, c.112.)

(3) (A) If an employee receives wages from more than one employer during any calendar year, and either the sum of his contributions deposited in and credited to the State disability benefits fund plus the amount of his contributions, if any, required towards the costs of benefits under one or more approved private plans under the provisions of section 9 of the "Temporary Disability Benefits Law" (C.43:21-33) and deducted from his wages, or the sum of such latter contributions, if the employee is covered during such calendar year only by two or more private plans, exceeds an amount equal to 1/2 of 1% of the "wages" determined in accordance with the provisions of R.S.43:21-7(b)(3) during the calendar years beginning on or after January 1, 1976 or, during calendar year 2012 or any subsequent calendar year, the total amount of his contributions for the year exceeds the amount set by the annual rate of contribution determined by the Commissioner of Labor and Workforce Development pursuant to subparagraph (i) of paragraph (1)(G) of this subsection (d), the employee shall be entitled to a refund of the excess if he makes a claim to the controller within two years after the end of the calendar year in which the wages are received with respect to which the refund is claimed and establishes his right to such refund. Such refund shall be made by the controller from the State disability benefits fund. No interest shall be allowed or paid with respect to any such refund. The controller shall, in accordance with prescribed regulations, determine the portion of the aggregate amount of such refunds made during any calendar year which is applicable to private plans for which deductions were made under section 9 of the "Temporary Disability Benefits Law" (C.43:21-33) such determination to be based upon the ratio of the amount of such wages exempt from contributions to such fund, as provided in subparagraph (B) of paragraph (1) of this subsection with respect to coverage under private plans, to the total wages so exempt plus the amount of such wages subject to contributions to the disability benefits fund, as provided in subparagraph (G) of paragraph (1) of this subsection. The controller shall, in accordance with prescribed regulations, prorate the amount so determined among the applicable private plans in the proportion that the wages covered by each plan bear to the total private plan wages involved in such refunds, and shall assess against and recover from the employer, or the insurer if the insurer has indemnified the employer with respect thereto, the amount so prorated. The provisions of R.S.43:21-14 with respect to collection of employer contributions shall apply to such assessments. The amount so recovered by the controller shall be paid into the State disability benefits fund.

(B) If an employee receives wages from more than one employer during any calendar year, and the sum of his contributions deposited...
in the "Family Temporary Disability Leave Account" of the State
disability benefits fund plus the amount of his contributions, if any,
required towards the costs of family temporary disability leave
benefits under one or more approved private plans under the
provisions of the "Temporary Disability Benefits Law" (C.43:21-
25 et al.) and deducted from his wages, exceeds an amount equal to,
during calendar year 2009, 0.09% of the "wages" determined in
accordance with the provisions of R.S.43:21-7(b)(3), or during
calendar year 2010, 0.12% of those wages, or, during calendar year
2011 or any subsequent calendar year, the percentage of those
wages set by the annual rate of contribution determined by the
Commissioner of Labor and Workforce Development pursuant to
subparagraph (ii) of paragraph (1)(G) of this subsection (d), the
employee shall be entitled to a refund of the excess if he makes a
claim to the controller within two years after the end of the calendar
year in which the wages are received with respect to which the
refund is claimed and establishes his right to the refund. The refund
shall be made by the controller from the "Family Temporary
Disability Leave Account" of the State disability benefits fund. No
interest shall be allowed or paid with respect to any such refund.
The controller shall, in accordance with prescribed regulations,
determine the portion of the aggregate amount of the refunds made
during any calendar year which is applicable to private plans for
which deductions were made under section 9 of the "Temporary
Disability Benefits Law" (C.43:21-33), with that determination
based upon the ratio of the amount of such wages exempt from
contributions to the fund, as provided in paragraph (1)(B) of this
subsection (d) with respect to coverage under private plans, to the
total wages so exempt plus the amount of such wages subject to
contributions to the "Family Temporary Disability Leave Account"
of the State disability benefits fund, as provided in subparagraph (ii)
of paragraph (1)(G) of this subsection (d). The controller shall, in
accordance with prescribed regulations, prorate the amount so
determined among the applicable private plans in the proportion
that the wages covered by each plan bear to the total private plan
wages involved in such refunds, and shall assess against and
recover from the employer, or the insurer if the insurer has
indemnified the employer with respect thereto, the prorated amount.
The provisions of R.S.43:21-14 with respect to collection of
employer contributions shall apply to such assessments. The
amount so recovered by the controller shall be paid into the "Family
Temporary Disability Leave Account" of the State disability
benefits fund.

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

(5) Every employer who has elected to become an employer
subject to this chapter (R.S.43:21-1 et seq.), or to cease to be an
employer subject to this chapter (R.S.43:21-1 et seq.), pursuant to
the provisions of R.S.43:21-8, shall post and maintain printed
notices of such election on his premises, of such design, in such
numbers, and at such places as the director may determine to be
necessary to give notice thereof to persons in his service.

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

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

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

(2) During the continuance of coverage of a worker by an
approved private plan of disability benefits under the "Temporary
Disability Benefits Law," the employer shall be exempt from the
contributions required by paragraph (1) above with respect to wages
paid to such worker.
(3) (A) The rates of contribution as specified in paragraph (1) above shall be subject to modification as provided herein with respect to employer contributions due on and after July 1, 1951.

(B) A separate disability benefits account shall be maintained for each employer required to contribute to the State disability benefits fund and such account shall be credited with contributions deposited in and credited to such fund with respect to employment occurring on and after January 1, 1949. Each employer's account shall be credited with all contributions paid on or before January 31 of any calendar year on his own behalf and on behalf of individuals in his service with respect to employment occurring in preceding calendar years; provided, however, that if January 31 of any calendar year falls on a Saturday or Sunday an employer's account shall be credited as of January 31 of such calendar year with all the contributions which he has paid on or before the next succeeding day which is not a Saturday or Sunday. But nothing in this act shall be construed to grant any employer or individuals in his service prior claims or rights to the amounts paid by him to the fund either on his own behalf or on behalf of such individuals. Benefits paid to any covered individual in accordance with Article III of the "Temporary Disability Benefits Law" on or before December 31 of any calendar year with respect to disability in such calendar year and in preceding calendar years shall be charged against the account of the employer by whom such individual was employed at the commencement of such disability or by whom he was last employed, if out of employment.

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

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

(1) Such preliminary rate shall be 1/2 of 1% unless on the preceding January 31 of such year such employer shall have been a covered employer who has paid contributions to the State disability benefits fund with respect to employment in the three calendar years immediately preceding such year.

(2) If the minimum requirements in subparagraph (D) (1) above have been fulfilled and the credited contributions exceed the benefits charged by more than $500.00, such preliminary rate shall be as follows:
(i) 2/10 of 1% if such excess over $500.00 exceeds 1% but is less than 1 1/4% of his average annual payroll as defined in this chapter (R.S.43:21-1 et seq.);
(ii) 15/100 of 1% if such excess over $500.00 equals or exceeds 1 1/4% but is less than 1 1/2% of his average annual payroll;
(iii) 1/10 of 1% if such excess over $500.00 equals or exceeds 1 1/2% of his average annual payroll.

(3) If the minimum requirements in subparagraph (D) (1) above have been fulfilled and the contributions credited exceed the benefits charged by not more than $500.00 plus 1% of his average annual payroll, or if the benefits charged exceed the contributions credited by not more than $500.00, the preliminary rate shall be 1/4 of 1%.

(4) If the minimum requirements in subparagraph (D) (1) above have been fulfilled and the benefits charged exceed the contributions credited by more than $500.00, such preliminary rate shall be as follows:
(i) 35/100 of 1% if such excess over $500.00 is less than 1/4 of 1% of his average annual payroll;
(ii) 45/100 of 1% if such excess over $500.00 equals or exceeds 1/4 of 1% but is less than 1/2 of 1% of his average annual payroll;
(iii) 55/100 of 1% if such excess over $500.00 equals or exceeds 1/2 of 1% but is less than 3/4 of 1% of his average annual payroll;
(iv) 65/100 of 1% if such excess over $500.00 equals or exceeds 3/4 of 1% but is less than 1% of his average annual payroll;
(v) 75/100 of 1% if such excess over $500.00 equals or exceeds 1% of his average annual payroll.

(5) Determination of the preliminary rate as specified in subparagraphs (D)(2), (3) and (4) above shall be subject, however, to the condition that it shall in no event be decreased by more than 1/10 of 1% of wages or increased by more than 2/10 of 1% of wages from the preliminary rate determined for the preceding year in accordance with subparagraph (D) (1), (2), (3) or (4), whichever shall have been applicable.

(E) (1) Prior to July 1 of each calendar year the controller shall determine the amount of the State disability benefits fund as of December 31 of the preceding calendar year, increased by the contributions paid thereto during January of the current calendar year with respect to employment occurring in the preceding calendar year. If such amount exceeds the net amount withdrawn from the unemployment trust fund pursuant to section 23 of the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-47) plus the amount at the end of such preceding calendar year of the unemployment disability account as defined in section 22 of said law (C.43:21-46), such excess shall be expressed as a percentage of the wages on which contributions were paid to the State disability benefits fund on or before January 31 with respect to employment in the preceding calendar year.
The controller shall then make a final determination of the rates of contribution for the 12 months commencing July 1 of such year for employers whose preliminary rates are determined as provided in subparagraph (D) hereof, as follows:

(i) If the percentage determined in accordance with subparagraph (E)(1) of this paragraph equals or exceeds 1 1/4 %, the final employer rates shall be the preliminary rates determined as provided in subparagraph (D) hereof, except that if the employer's preliminary rate is determined as provided in subparagraph (D)(2) or subparagraph (D)(3) hereof, the final employer rate shall be the preliminary employer rate decreased by such percentage of excess taken to the nearest 5/100 of 1%, but in no case shall such final rate be less than 1/10 of 1%.

(ii) If the percentage determined in accordance with subparagraph (E)(1) of this paragraph equals or exceeds 3/4 of 1% and is less than 1 1/4 of 1%, the final employer rates shall be the preliminary employer rates.

(iii) If the percentage determined in accordance with subparagraph (E)(1) of this paragraph is less than 3/4 of 1%, but in excess of 1/4 of 1%, the final employer rates shall be the preliminary employer rates determined as provided in subparagraph (D) hereof increased by the difference between 3/4 of 1% and such percentage taken to the nearest 5/100 of 1%; provided, however, that no such final rate shall be more than 1/4 of 1% in the case of an employer whose preliminary rate is determined as provided in subparagraph (D)(2) hereof, more than 1/2 of 1% in the case of an employer whose preliminary rate is determined as provided in subparagraph (D)(1) and subparagraph (D)(3) hereof, nor more than 3/4 of 1% in the case of an employer whose preliminary rate is determined as provided in subparagraph (D)(4) hereof.

(iv) If the amount of the State disability benefits fund determined as provided in subparagraph (E)(1) of this paragraph is equal to or less than 1/4 of 1%, then the final rate shall be 2/5 of 1% in the case of an employer whose preliminary rate is determined as provided in subparagraph (D)(2) hereof, 7/10 of 1% in the case of an employer whose preliminary rate is determined as provided in subparagraph (D)(1) and subparagraph (D)(3) hereof, and 1.1% in the case of an employer whose preliminary rate is determined as provided in subparagraph (D)(4) hereof. Notwithstanding any other provision of law or any determination made by the controller with respect to any 12-month period commencing on July 1, 1970, the final rates for all employers for the period beginning January 1, 1971, shall be as set forth herein.

(F) Notwithstanding any other provisions of this subsection (e), the rate of contribution paid to the State disability benefits fund by each covered employer as defined in paragraph (1) of subsection (a) of section 3 of P.L.1948, c.110 (C.43:21-27), shall be determined as if:
(i) No disability benefits have been paid with respect to periods of family temporary disability leave;
(ii) No worker paid any contributions to the State disability benefits fund pursuant to paragraph (1)(G)(ii) of subsection (d) of this section;
(iii) No amounts were transferred from the State disability benefits fund to the "Family Temporary Disability Leave Account" pursuant to paragraph (1)(G)(ii) of subsection (d) of this section; and
(iv) The total amount of benefits paid for periods of disability were not subject to the increases in the weekly benefit rate for those benefits commencing July 1, 2020 pursuant to section 16 of P.L.1948, c.110 (C.43:21-40).

3. This act shall take effect immediately.

STATEMENT

This bill allocates available moneys from federal assistance to the unemployment compensation fund (fund). The money will be deposited into the fund in order to pay back any balance in federal unemployment insurance loan advances, pursuant to Title XII of the Social Security Act (42 U.S.C. s. 1321 et seq.), as of the end of each fiscal year 2022, 2023, and 2024.

The bill requires that, annually after any deposit of federal government assistance into the unemployment compensation fund, pursuant to subsection a. of this section, the Commissioner of Labor and Workforce Development is to submit a report to the Legislature, which would include information concerning the solvency of the unemployment compensation fund. The report is to include, but need not be limited to:

(1) the total amount of federal loan advances that were paid back as of the day of the report;
(2) the Department of Labor and Workforce Development’s estimate on the total funds needed to be deposited by the March 31 trigger to avoid an increase in the calculation of the contribution rate for employers if the employment market remains unchanged at the end of the calendar year;
(3) the department’s estimate on the total funds needed to be deposited by the March 31 trigger to reduce a column in the calculation of the contribution rate for employers if the employment market remains unchanged at the end of the calendar year;
(4) the department’s estimate concerning the aggregate cost to employers for a column increase or decrease in the contribution rate calculation; and
(5) the department’s estimate concerning the time it would take to reduce each column in the contribution rate calculation based on natural historic employment growth in-between economic downturns without any deposit pursuant to subsection a. of this section.

Current law requires that unemployment contribution rates for employers, for fiscal year 2022, will be the rates set by column “C” of the experience rating table, for FY 2023 the rates in column “D”, and for FY 2024 the rates in column “E”. The bill modifies this provision of law to specify that notwithstanding any other provision of law concerning the actual fund reserve ratio, the contribution rate for employers liable to pay contributions for fiscal year 2024, would be the rates set by column “D” of the table.