

SENATE, No. 3773

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED OCTOBER 10, 2024

Sponsored by:

Senator JOSEPH A. LAGANA

District 38 (Bergen)

SYNOPSIS

Concerns requirements to report separations from employment under employee leasing agreements.

CURRENT VERSION OF TEXT

As introduced.



S3773 LAGANA

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1 AN ACT concerning requirements to report separations from
2 employment under employee leasing agreements and amending
3 P.L.2011, c.118.

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

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8 1. Section 6 of P.L.2011, c.118 (C.34:8-68.1) is amended to
9 read as follows:

10 6. a. Except to the extent otherwise expressly provided by an
11 applicable employee leasing agreement, a client company shall be
12 solely responsible for the quality, adequacy or safety of the goods
13 or services produced or sold in the client company's business, for
14 directing, supervising, training and controlling the work of the
15 covered employees with respect to the business activities of the
16 client company, for the acts, errors or omissions of covered
17 employees with regard to those activities, and for accurately
18 reporting wages to the employee leasing company.

19 b. Except to the extent otherwise expressly provided by an
20 applicable employee leasing agreement, a client company shall not
21 be liable for the acts, errors or omissions of an employee leasing
22 company, or of any covered employee when the covered employee
23 is acting under the express direction and control of the employee
24 leasing company, and an employee leasing company shall not be
25 liable for the acts, errors, or omissions of a client company or of
26 any covered employee when the covered employee is acting under
27 the express direction and control of the client company.

28 c. Except to the extent otherwise expressly provided by an
29 applicable employee leasing agreement or other employment
30 contract, insurance contract or bond, a covered employee shall not
31 be considered, solely as the result of being a covered employee, an
32 employee of the employee leasing company for purposes of general
33 liability insurance, fidelity bonds, surety bonds, employer's liability
34 which is not covered by workers' compensation, or other liability
35 insurance carried by the employee leasing company.

36 d. Notwithstanding any provisions of R.S.43:21-6 and
37 R.S.43:21-16 to the contrary, a client company shall be solely
38 responsible for complying with the reporting requirements
39 concerning a separation from employment imposed on employers
40 pursuant to subsection (a) of R.S. 43:21-6, and shall be solely liable
41 for any penalty for failure to provide information concerning a
42 separation from employment imposed pursuant to subsection (b) of
43 R.S. 43:21-16.

44 (cf: P.L.2017, c.233, s.2)

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.

1 2. This act shall take effect immediately.

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STATEMENT

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6 This bill provides that, notwithstanding any provisions of law to
7 the contrary, a client company of an employee leasing company, not
8 the employee leasing company, is solely responsible for complying
9 with the reporting requirements concerning a separation from
10 employment, and is solely liable for any penalty for failure to
11 provide information concerning a separation from employment.