

ASSEMBLY, No. 5702

STATE OF NEW JERSEY

222nd LEGISLATURE

INTRODUCED OCTOBER 19, 2026

Sponsored by:

Assemblyman CRAIG J. COUGHLIN

District 19 (Middlesex)

Assemblywoman VERLINA REYNOLDS-JACKSON

District 15 (Hunterdon and Mercer)

Assemblywoman CARMEN THERESA MORALES

District 34 (Essex)

SYNOPSIS

“Efficient Income Verification Act.”

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning income verification and amending and
2 supplementing chapter 21 of Title 43 of the Revised Statutes.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. (New section) This act shall be known and may be cited as
8 the “Efficient Income Verification Act.”

9
10 2. (New section) The Legislature finds and declares that:

11 a. The federal government has enacted significant changes to
12 the administration of public benefit programs through the federal
13 law commonly known as H.R. 1, including new requirements
14 concerning eligibility verification and work requirements for certain
15 programs.

16 b. These federal changes will require New Jersey to modernize
17 the manner in which it verifies income and determines eligibility for
18 public benefits. Timely and accurate income information is
19 increasingly important to the State's ability to implement federal
20 requirements and administer public benefit programs effectively.

21 c. Under existing systems, income information available to the
22 State may not reflect an individual's current circumstances. This
23 can create unnecessary administrative burdens and contribute to
24 both erroneous payments and delays or interruptions in benefits for
25 individuals who remain eligible.

26 d. New Jersey should take advantage of information already
27 available through existing State systems to modernize income
28 verification and improve the administration of public benefits.
29 More timely information will allow the State to make more accurate
30 and efficient eligibility determinations.

31 e. Automating income verification can reduce the need for
32 individuals to repeatedly provide documentation concerning income
33 that is otherwise available to the State, thereby reducing
34 administrative burdens and helping to ensure that eligible
35 individuals and families receive the benefits for which they qualify.

36 f. At the same time, improved income verification will
37 strengthen program integrity by allowing the State to more
38 promptly identify changes in eligibility and reduce erroneous or
39 improper payments.

40 g. The Legislature finds that modernizing income verification
41 is necessary to assist New Jersey in meeting the requirements and
42 objectives established by H.R. 1, while improving the efficiency
43 and effectiveness of the State's public benefit programs.

44 h. The Legislature finds that modernizing income verification
45 can further assist New Jersey in reducing administrative burdens
46 across a wide range of public benefits and services.

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 i. It is therefore the intent of the Legislature to establish a
2 more timely and automated income-verification system that reduces
3 payment errors and protects taxpayer resources while maximizing,
4 to the maximum extent practicable, access to benefits and services
5 for individuals and families who are eligible to receive them.

6
7 3. R.S.43:21-14 is amended to read as follows:

8 43:21-14. (a) (1) In addition to such reports as may be required
9 under the provisions of subsection (g) of R.S.43:21-11, every
10 employer shall file with the controller periodic contribution reports
11 on such forms and at such times as the controller shall prescribe, to
12 disclose the employer's liability for contributions under the
13 provisions of this chapter (R.S.43:21-1 et seq.), and at the time of
14 filing each contribution report shall pay the contributions required
15 by this chapter (R.S.43:21-1 et seq.), for the period covered by such
16 report. The controller may require that such reports shall be under
17 oath of the employer. Any employer who shall fail to file any
18 report, required by the controller, on or before the last day for the
19 filing thereof shall pay a penalty of \$10.00 for each day of
20 delinquency until and including the fifth day following such last
21 day and for any period of delinquency after such fifth day, a penalty
22 of \$10.00 a day or 25% of the amount of the contributions due and
23 payable by the employer for the period covered by the report,
24 whichever is the lesser; if there be no liability for contributions for
25 the period covered by any contribution report or in the case of any
26 report other than a contribution report, the employer or employing
27 unit shall pay a penalty of \$10.00 a day for each day of delinquency
28 in filing or \$50.00, whichever is the lesser; provided, however, that
29 when it is shown to the satisfaction of the controller that the failure
30 to file any such report was not the result of fraud or an intentional
31 disregard of this chapter (R.S.43:21-1 et seq.), or the regulations
32 promulgated hereunder, the controller, in his discretion, may remit
33 or abate any unpaid penalties heretofore or hereafter imposed under
34 this section. On or before October 1 of each year, the controller
35 shall submit to the Commissioner of Labor and Workforce
36 Development a report covering the 12-month period ending on the
37 preceding June 30, and showing the names and addresses of all
38 employers for whom the controller remitted or abated any penalties,
39 or ratified any remission or abatement of penalties, and the amount
40 of such penalties with respect to each employer. Any employer who
41 shall fail to pay the contributions due for any period, on or before
42 the date they are required by the controller to be paid, shall pay
43 interest on the amount thereof from such date until the date of
44 payment thereof, at the rate of 1% a month through June 30, 1981
45 and at the rate of 1 1/4% a month after June 30, 1981. Upon the
46 written request of any employer or employing unit, filed with the
47 controller on or before the due date of any report or contribution
48 payment, the controller, for good cause shown, may grant, in

1 writing, an extension of time for the filing of such report or the
2 paying of such contribution, with interest at the applicable rate;
3 provided no such extension shall exceed 30 days and that no such
4 extension shall postpone payment of any contribution for any period
5 beyond the day preceding the last day for filing tax returns under
6 Title IX of the federal Social Security Act for the year in which said
7 period occurs.

8 (2) (A) ~~For the calendar quarter commencing July 1, 1984 and~~
9 ~~each successive quarter thereafter~~ Beginning January 1, 2027,
10 each employer shall file or cause to be filed a report with the
11 controller within ~~30~~ five business days after the ~~end of each~~
12 ~~quarter~~ employer pays the employee for the pay period or
13 authorizes an agent to pay the employee for the pay period,
14 whichever is earlier, in a form and manner prescribed by the
15 controller, listing the name, social security number, ~~and~~ wages
16 paid ~~to~~ , the start and end dates of the relevant pay period, pay
17 date, pay frequency, hours worked for each employee ~~and~~ , the
18 number of base weeks (as defined in subsection (t) of R.S.43:21-19)
19 worked by the employee during the ~~calendar quarter~~ pay period,
20 and such other information as the Commissioner of Labor and
21 Workforce Development may require.

22 (B) Any employer who fails without reasonable cause to comply
23 with the reporting requirements of this paragraph (2) shall be liable
24 for a penalty in the following amount for each employee with
25 respect to whom the employer is required to file a report but who is
26 not included in the report or for whom the required information is
27 not accurately reported for each employee required to be included,
28 whether or not the employee is included:

29 (i) For the first failure ~~for one quarter~~ in any ~~eight~~ 52
30 consecutive ~~quarters~~ pay periods, \$5.00 for each employee;

31 (ii) For the second failure ~~for any quarter~~ in any ~~eight~~ 52
32 consecutive ~~quarters~~ pay periods, \$10.00 for each employee; and

33 (iii) For the third failure ~~for any quarter~~ in any ~~eight~~ 52
34 consecutive ~~quarters~~ pay periods, and for any failure in any
35 ~~eight~~ 52 consecutive ~~quarters~~ pay periods, which failure is
36 subsequent to the third failure, \$25.00 for each employee.

37 (C) Information reported by employers as requested by this
38 paragraph (2) shall be used by the Department of Labor and
39 Workforce Development for the purpose of determining eligibility
40 for benefits of individuals in accordance with the provisions of
41 R.S.43:21-1 et seq. Notwithstanding the provisions of subsection
42 (g) of R.S.43:21-11, the Department of Labor and Workforce
43 Development is hereby authorized to provide the Department of
44 Human Services and the Higher Education Student Assistance
45 Authority with information reported by employers as required by
46 this paragraph (2). For each fiscal year, the Director of the Division
47 of Budget and Accounting of the Department of the Treasury shall

1 charge the appropriate account of the Department of Human
2 Services and the Higher Education Student Assistance Authority in
3 amounts sufficient to reimburse the Department of Labor and
4 Workforce Development for the cost of providing information
5 under this subparagraph (C).

6 (i) In consultation with the Department of Human Services, the
7 department shall continually furnish or otherwise provide timely
8 access to wage information, including, but not limited to, wages and
9 hours worked, to the Department of Human Services to facilitate
10 up-to-date and accurate income verification and eligibility
11 determinations.

12 (ii) The department is authorized to share information reported
13 by employers as required by this paragraph (2) with any agency of
14 this State for the exclusive purposes of determining eligibility for,
15 and the accurate issuance of, public assistance or benefits, or for the
16 automating or streamlining delivery of benefits or services.

17 (iii) The department is authorized to enter into agreements with
18 other agencies of this State to develop and implement systems
19 which automate and streamline the delivery of public benefits or
20 services. Such agreements may provide for cost sharing, or the
21 reimbursement by one agency to another for expenses related to the
22 development, utilization, and maintenance of any such system.

23 (D) (Deleted by amendment, P.L.2015, c.135)

24 (b) The contributions, penalties, and interest due from any
25 employer under the provisions of this chapter (R.S.43:21-1 et seq.),
26 from the time they shall be due, shall be a personal debt of the
27 employer to the State of New Jersey, recoverable in any court of
28 competent jurisdiction in a civil action in the name of the State of
29 New Jersey; provided, however, that except in the event of fraud,
30 no employer shall be liable for contributions or penalties unless
31 contribution reports have been filed or assessments have been made
32 in accordance with subsection (c) or (d) of this section before four
33 years have elapsed from the last day of the calendar year with
34 respect to which any contributions become payable under this
35 chapter (R.S.43:21-1 et seq.), nor shall any employer be required to
36 pay interest on any such contribution unless contribution reports
37 were filed or assessments made within such four-year period;
38 provided further that if such contribution reports were filed or
39 assessments made within the four-year period, no civil action shall
40 be instituted, nor shall any certificate be issued to the Clerk of the
41 Superior Court under subsection (e) of this section, except in the
42 event of fraud, after six years have elapsed from the last day of the
43 calendar year with respect to which any contributions become
44 payable under this chapter (R.S.43:21-1 et seq.), or July 1, 1958,
45 whichever is later. Payments received from an employer on account
46 of any debt incurred under the provisions of this chapter
47 (R.S.43:21-1 et seq.) may be applied by the controller on account of
48 the contribution liability of the employer and then to interest and

1 penalties, and any balance remaining shall be recoverable by the
2 controller from the employer. Upon application therefor, the
3 controller shall furnish interested persons and entities certificates of
4 indebtedness covering employers, employing units and others for
5 contributions, penalties and interest, for each of which certificates
6 the controller shall charge and collect a fee of \$2.00 per name; no
7 such certificate to be issued, however, for a fee of less than \$10.00.
8 All fees so collected shall be paid into the unemployment
9 compensation administration fund.

10 (c) If any employer shall fail to make any report as required by
11 the rules and regulations of the division pursuant to the provisions
12 of this chapter (R.S.43:21-1 et seq.), the controller may make an
13 estimate of the liability of such employer from any information it
14 may obtain, and, according to such estimate so made, assess such
15 employer for the contributions, penalties, and interest due the State
16 from him, give notice of such assessment to the employer, and
17 make demand upon him for payment.

18 (d) After a report is filed under the provisions of this chapter
19 (R.S.43:21-1 et seq.) and the rules and regulations thereof, the
20 controller shall cause the report to be examined and shall make such
21 further audit and investigation as it may deem necessary, and if
22 therefrom there shall be determined that there is a deficiency with
23 respect to the payment of the contributions due from such employer,
24 the controller shall assess the additional contributions, penalties,
25 and interest due the State from such employer, give notice of such
26 assessment to the employer, and make demand upon him for
27 payment.

28 (e) As an additional remedy, the controller may issue to the
29 Clerk of the Superior Court of New Jersey a certificate stating the
30 amount of the employer's indebtedness under this chapter
31 (R.S.43:21-1 et seq.) and describing the liability, and thereupon the
32 clerk shall immediately enter upon his record of docketed
33 judgments such certificate or an abstract thereof and duly index the
34 same. Any such certificate or abstract, heretofore or hereafter
35 docketed, from the time of docketing shall have the same force and
36 effect as a judgment obtained in the Superior Court of New Jersey,
37 and the controller shall have all the remedies and may take all the
38 proceedings for the collection thereof which may be had or taken
39 upon the recovery of such a judgment in a civil action upon contract
40 in said court. Such debt, from the time of docketing thereof, shall be
41 a lien on and bind the lands, tenements and hereditaments of the
42 debtor.

43 The Clerk of the Superior Court shall be entitled to receive for
44 docketing such certificate, \$0.50, and for a certified transcript of
45 such docket, \$0.50. If the amount set forth in said certificate as a
46 debt shall be modified or reversed upon review, as hereinafter
47 provided, the Clerk of the Superior Court shall, when an order of
48 modification or reversal is filed, enter in the margin of the docket

1 opposite the entry of the judgment, the word "modified" or
2 "reversed," as the case may be, and the date of such modification or
3 reversal.

4 The employer, or any other party having an interest in the
5 property upon which the debt is a lien, may deposit the amount
6 claimed in the certificate with the Clerk of the Superior Court of
7 New Jersey, together with an additional 10% of the amount thereof,
8 or \$100.00, whichever amount is the greater, to cover interest and
9 the costs of court, or in lieu of depositing the amount in cash, may
10 give a bond to the State of New Jersey in double the amount
11 claimed in the certificate, and file the same with the Clerk of the
12 Superior Court. Said bond shall have such surety and shall be
13 approved in the manner required by the Rules Governing the Courts
14 of the State of New Jersey.

15 After the deposit of said money or the filing of said bond, the
16 employer, or any other party having an interest in the said property,
17 may, after exhausting all administrative remedies, secure judicial
18 review of the legality or validity of the indebtedness or the amount
19 thereof, and the said deposit of cash shall be as security for, and the
20 bond shall be conditioned to prosecute, the judicial review with
21 effect.

22 Upon the deposit of said money or the filing of the said bond
23 with the Clerk of the Superior Court, all proceedings on such
24 judgment shall be stayed until the final determination of the cause,
25 and the moneys so deposited shall be subject to the lien of the
26 indebtedness and costs and interest thereon, and the lands,
27 tenements, and hereditaments of said debtor shall forthwith be
28 discharged from the lien of the State of New Jersey and no
29 execution shall issue against the same by virtue of said judgment.

30 Notwithstanding the provisions of subsections (a) through (c) of
31 this section, the Department of Labor and Workforce Development
32 may, with the concurrence of the State Treasurer, when all
33 reasonable efforts to collect amounts owed have been exhausted, or
34 to avoid litigation, reduce any liability for contributions, penalties
35 and interest, provided no portion of those amounts represents
36 contributions made by an employee pursuant to subsection (d) of
37 R.S.43:21-7.

38 (f) If, not later than two years after the calendar year in which
39 any moneys were erroneously paid to or collected by the controller,
40 whether such payments were voluntarily or involuntarily made or
41 made under mistake of law or of fact, an employer, employing unit,
42 or employee who has paid such moneys shall make application for
43 an adjustment thereof, the said moneys shall, upon order of the
44 controller, be either credited or refunded, without interest, from the
45 appropriate fund. For like cause and within the same period, credit
46 or refund may be so made on the initiative of the controller.

47 (g) All interest and penalties collected pursuant to this section
48 shall be paid into a special fund to be known as the unemployment

1 compensation auxiliary fund; all moneys in this special fund shall
2 be deposited, administered and disbursed in the same manner and
3 under the same conditions and requirements as is provided by law
4 for other special funds in the State Treasury, and shall be expended,
5 under legislative appropriation, for the purpose of aiding in
6 defraying the cost of the administration of this chapter (R.S.43:21-1
7 et seq.); for the repayment of any interest bearing advances made
8 from the federal unemployment account pursuant to the provisions
9 of section 1202(b) of the Social Security Act, 42 U.S.C. s.1322; and
10 for essential and necessary expenditures in connection with
11 programs designed to stimulate employment, as determined by the
12 Commissioner of Labor and Workforce Development, except that
13 any moneys in this special fund shall be first applied to aiding in the
14 defraying of necessary costs of the administration of this chapter
15 (R.S.43:21-1 et seq.) as determined by the Commissioner of Labor
16 and Workforce Development. The Treasurer of the State shall be ex
17 officio the treasurer and custodian of this special fund and, subject
18 to legislative appropriation, shall administer the fund in accordance
19 with the directions of the controller. Any balances in this fund shall
20 not lapse at any time, but shall be continuously available, subject to
21 legislative appropriation, to the controller for expenditure. The
22 State Treasurer shall give a separate and additional bond
23 conditioned upon the faithful performance of his duties in
24 connection with the unemployment compensation auxiliary fund, in
25 an amount to be fixed by the division, the premiums for such bond
26 to be paid from the moneys in the said special fund.

27 (h) All disputes under R.S.43:21-1 et seq. unless specifically
28 indicated otherwise, shall be resolved in accordance with the
29 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
30 seq.).

31 (i) Notwithstanding any of the provisions of this section, or any
32 other law, to the contrary, all functions, powers and duties of the
33 controller and the Commissioner of Labor and Workforce
34 Development relating to receiving reports, receiving billings,
35 receiving correspondence, remittance processing, data entry and
36 imaging required pursuant to this section shall be performed by the
37 Division of Revenue in the Department of the Treasury, except that
38 the New Jersey Innovation Authority shall collaborate in the
39 implementation of the "Efficient Income Verification Act," P.L. ,
40 c. (C.) (pending before the Legislature as this bill), by
41 providing technical, operational, and implementation expertise, to
42 the greatest extent feasible.
43 (cf: P.L.2015, c.135)

44

45 4. R.S.43:21-19 is amended to read as follows:

46 43:21-19. Definitions. As used in this chapter (R.S.43:21-1 et
47 seq.), unless the context clearly requires otherwise:

1 (a) (1) "Annual payroll" means the total amount of wages paid
2 during a calendar year (regardless of when earned) by an employer
3 for employment.

4 (2) "Average annual payroll" means the average of the annual
5 payrolls of any employer for the last three or five preceding
6 calendar years, whichever average is higher, except that any year or
7 years throughout which an employer has had no "annual payroll"
8 because of military service shall be deleted from the reckoning; the
9 "average annual payroll" in such case is to be determined on the
10 basis of the prior three or five calendar years in each of which the
11 employer had an "annual payroll" in the operation of his business, if
12 the employer resumes his business within 12 months after
13 separation, discharge or release from such service, under conditions
14 other than dishonorable, and makes application to have his "average
15 annual payroll" determined on the basis of such deletion within 12
16 months after he resumes his business; provided, however, that
17 "average annual payroll" solely for the purposes of paragraph (3) of
18 subsection (e) of R.S.43:21-7 means the average of the annual
19 payrolls of any employer on which he paid contributions to the
20 State disability benefits fund for the last three or five preceding
21 calendar years, whichever average is higher; provided further that
22 only those wages be included on which employer contributions have
23 been paid on or before January 31 (or the next succeeding day if
24 such January 31 is a Saturday or Sunday) immediately preceding
25 the beginning of the 12-month period for which the employer's
26 contribution rate is computed.

27 (b) "Benefits" means the money payments payable to an
28 individual, as provided in this chapter (R.S.43:21-1 et seq.), with
29 respect to his unemployment.

30 (c) (1) "Base year" with respect to benefit years commencing on
31 or after July 1, 1986, shall mean the first four of the last five
32 completed calendar quarters immediately preceding an individual's
33 benefit year.

34 With respect to a benefit year commencing on or after July 1,
35 1995, if an individual does not have sufficient qualifying weeks or
36 wages in his base year to qualify for benefits, the individual shall
37 have the option of designating that his base year shall be the
38 "alternative base year," which means the last four completed
39 calendar quarters immediately preceding the individual's benefit
40 year; except that, with respect to a benefit year commencing on or
41 after October 1, 1995, if the individual also does not have sufficient
42 qualifying weeks or wages in the last four completed calendar
43 quarters immediately preceding his benefit year to qualify for
44 benefits, "alternative base year" means the last three completed
45 calendar quarters immediately preceding his benefit year and, of the
46 calendar quarter in which the benefit year commences, the portion
47 of the quarter which occurs before the commencing of the benefit
48 year.

1 The division shall inform the individual of his options under this
2 section as amended by P.L.1995, c.234. If information regarding
3 weeks and wages for the calendar quarter or quarters immediately
4 preceding the benefit year is not available to the division from the
5 regular quarterly reports of wage information and the division is not
6 able to obtain the information using other means pursuant to State
7 or federal law, the division may base the determination of eligibility
8 for benefits on the affidavit of an individual with respect to weeks
9 and wages for that calendar quarter. The individual shall furnish
10 payroll documentation, if available, in support of the affidavit. A
11 determination of benefits based on an alternative base year shall be
12 adjusted when the quarterly report of wage information from the
13 employer is received if that information causes a change in the
14 determination.

15 (2) With respect to a benefit year commencing on or after June 1,
16 1990 for an individual who immediately preceding the benefit year
17 was subject to a disability compensable under the provisions of the
18 "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25
19 et seq.), "base year" shall mean the first four of the last five
20 completed calendar quarters immediately preceding the individual's
21 period of disability, if the employment held by the individual
22 immediately preceding the period of disability is no longer
23 available at the conclusion of that period and the individual files a
24 valid claim for unemployment benefits after the conclusion of that
25 period. For the purposes of this paragraph, "period of disability"
26 means the period defined as a period of disability by section 3 of
27 the "Temporary Disability Benefits Law," P.L.1948, c.110
28 (C.43:21-27). An individual who files a claim under the provisions
29 of this paragraph (2) shall not be regarded as having left work
30 voluntarily for the purposes of subsection (a) of R.S.43:21-5.

31 (3) With respect to a benefit year commencing on or after June 1,
32 1990 for an individual who immediately preceding the benefit year
33 was subject to a disability compensable under the provisions of the
34 workers' compensation law (chapter 15 of Title 34 of the Revised
35 Statutes), "base year" shall mean the first four of the last five
36 completed calendar quarters immediately preceding the individual's
37 period of disability, if the period of disability was not longer than
38 two years, if the employment held by the individual immediately
39 preceding the period of disability is no longer available at the
40 conclusion of that period and if the individual files a valid claim for
41 unemployment benefits after the conclusion of that period. For the
42 purposes of this paragraph, "period of disability" means the period
43 from the time at which the individual becomes unable to work
44 because of the compensable disability until the time that the
45 individual becomes able to resume work and continue work on a
46 permanent basis. An individual who files a claim under the
47 provisions of this paragraph (3) shall not be regarded as having left
48 work voluntarily for the purposes of subsection (a) of R.S.43:21-5.

1 (d) "Benefit year" with respect to any individual means the 364
2 consecutive calendar days beginning with the day on, or as of,
3 which he first files a valid claim for benefits, and thereafter
4 beginning with the day on, or as of, which the individual next files a
5 valid claim for benefits after the termination of his last preceding
6 benefit year. Any claim for benefits made in accordance with
7 subsection (a) of R.S.43:21-6 shall be deemed to be a "valid claim"
8 for the purpose of this subsection if (1) he is unemployed for the
9 week in which, or as of which, he files a claim for benefits; and (2)
10 he has fulfilled the conditions imposed by subsection (e) of
11 R.S.43:21-4.

12 (e) (1) "Division" means the Division of Unemployment and
13 Temporary Disability Insurance of the Department of Labor and
14 Workforce Development, and any transaction or exercise of
15 authority by the director of the division thereunder, or under this
16 chapter (R.S.43:21-1 et seq.), shall be deemed to be performed by
17 the division.

18 (2) "Controller" means the Office of the Assistant Commissioner
19 for Finance and Controller of the Department of Labor and
20 Workforce Development, established by the 1982 Reorganization
21 Plan of the Department of Labor.

22 (3) "Commissioner" means the Commissioner of the
23 Department of Labor and Workforce Development.

24 (f) "Contributions" means the money payments to the State
25 Unemployment Compensation Fund, required by R.S.43:21-7.
26 "Payments in lieu of contributions" means the money payments to
27 the State Unemployment Compensation Fund by employers electing
28 or required to make payments in lieu of contributions, as provided
29 in section 3 or section 4 of P.L.1971, c.346 (C.43:21-7.2 or 43:21-
30 7.3).

31 (g) "Employing unit" means the State or any of its
32 instrumentalities or any political subdivision thereof or any of its
33 instrumentalities or any instrumentality of more than one of the
34 foregoing or any instrumentality of any of the foregoing and one or
35 more other states or political subdivisions or any individual or type
36 of organization, any partnership, association, trust, estate, joint-
37 stock company, insurance company or corporation, whether
38 domestic or foreign, or the receiver, trustee in bankruptcy, trustee or
39 successor thereof, or the legal representative of a deceased person,
40 which has or subsequent to January 1, 1936, had in its employ one
41 or more individuals performing services for it within this State. All
42 individuals performing services within this State for any employing
43 unit which maintains two or more separate establishments within
44 this State shall be deemed to be employed by a single employing
45 unit for all the purposes of this chapter (R.S.43:21-1 et seq.). Each
46 individual employed to perform or to assist in performing the work
47 of any agent or employee of an employing unit shall be deemed to
48 be employed by such employing unit for all the purposes of this

1 chapter (R.S.43:21-1 et seq.), whether such individual was hired or
2 paid directly by such employing unit or by such agent or employee;
3 provided the employing unit had actual or constructive knowledge
4 of the work.

5 (h) "Employer" means:

6 (1) Any employing unit which in either the current or the
7 preceding calendar year paid remuneration for employment in the
8 amount of \$1,000.00 or more;

9 (2) Any employing unit (whether or not an employing unit at the
10 time of acquisition) which acquired the organization, trade or
11 business, or substantially all the assets thereof, of another which, at
12 the time of such acquisition, was an employer subject to this chapter
13 (R.S.43:21-1 et seq.);

14 (3) Any employing unit which acquired the organization, trade or
15 business, or substantially all the assets thereof, of another
16 employing unit and which, if treated as a single unit with such other
17 employing unit, would be an employer under paragraph (1) of this
18 subsection;

19 (4) Any employing unit which together with one or more other
20 employing units is owned or controlled (by legally enforceable
21 means or otherwise), directly or indirectly by the same interests, or
22 which owns or controls one or more other employing units (by
23 legally enforceable means or otherwise), and which, if treated as a
24 single unit with such other employing unit or interest, would be an
25 employer under paragraph (1) of this subsection;

26 (5) Any employing unit for which service in employment as
27 defined in R.S.43:21-19 (i) (1) (B) (i) is performed after December
28 31, 1971; and as defined in R.S.43:21-19 (i) (1) (B) (ii) is
29 performed after December 31, 1977;

30 (6) Any employing unit for which service in employment as
31 defined in R.S.43:21-19 (i) (1) (c) is performed after December 31,
32 1971 and which in either the current or the preceding calendar year
33 paid remuneration for employment in the amount of \$1,000.00 or
34 more;

35 (7) Any employing unit not an employer by reason of any other
36 paragraph of this subsection (h) for which, within either the current
37 or preceding calendar year, service is or was performed with respect
38 to which such employing unit is liable for any federal tax against
39 which credit may be taken for contributions required to be paid into
40 a state unemployment fund; or which, as a condition for approval of
41 the "unemployment compensation law" for full tax credit against
42 the tax imposed by the Federal Unemployment Tax Act, is required
43 pursuant to such act to be an employer under this chapter
44 (R.S.43:21-1 et seq.);

45 (8) (Deleted by amendment, P.L.1977, c.307.)

46 (9) (Deleted by amendment, P.L.1977, c.307.)

47 (10) (Deleted by amendment, P.L.1977, c.307.)

1 (11) Any employing unit subject to the provisions of the Federal
2 Unemployment Tax Act within either the current or the preceding
3 calendar year, except for employment hereinafter excluded under
4 paragraph (7) of subsection (i) of this section;

5 (12) Any employing unit for which agricultural labor in
6 employment as defined in R.S.43:21-19 (i) (1) (I) is performed after
7 December 31, 1977;

8 (13) Any employing unit for which domestic service in
9 employment as defined in R.S.43:21-19 (i) (1) (J) is performed after
10 December 31, 1977;

11 (14) Any employing unit which having become an employer
12 under the "unemployment compensation law" (R.S.43:21-1 et seq.),
13 has not under R.S.43:21-8 ceased to be an employer; or for the
14 effective period of its election pursuant to R.S.43:21-8, any other
15 employing unit which has elected to become fully subject to this
16 chapter (R.S.43:21-1 et seq.).

17 (i) (1) "Employment" means:

18 (A) Any service performed prior to January 1, 1972, which was
19 employment as defined in the "unemployment compensation law"
20 (R.S.43:21-1 et seq.) prior to such date, and, subject to the other
21 provisions of this subsection, service performed on or after January
22 1, 1972, including service in interstate commerce, performed for
23 remuneration or under any contract of hire, written or oral, express
24 or implied.

25 (B) (i) Service performed after December 31, 1971 by an
26 individual in the employ of this State or any of its instrumentalities
27 or in the employ of this State and one or more other states or their
28 instrumentalities for a hospital or institution of higher education
29 located in this State, if such service is not excluded from
30 "employment" under paragraph (D) below.

31 (ii) Service performed after December 31, 1977, in the employ of
32 this State or any of its instrumentalities or any political subdivision
33 thereof or any of its instrumentalities or any instrumentality of more
34 than one of the foregoing or any instrumentality of the foregoing
35 and one or more other states or political subdivisions, if such
36 service is not excluded from "employment" under paragraph (D)
37 below.

38 (C) Service performed after December 31, 1971 by an individual
39 in the employ of a religious, charitable, educational, or other
40 organization, which is excluded from "employment" as defined in
41 the Federal Unemployment Tax Act, solely by reason of section
42 3306 (c)(8) of that act, if such service is not excluded from
43 "employment" under paragraph (D) below.

44 (D) For the purposes of paragraphs (B) and (C), the term
45 "employment" does not apply to services performed

46 (i) In the employ of (I) a church or convention or association of
47 churches, or (II) an organization, or school which is operated
48 primarily for religious purposes and which is operated, supervised,

- 1 controlled or principally supported by a church or convention or
2 association of churches;
- 3 (ii) By a duly ordained, commissioned, or licensed minister of a
4 church in the exercise of his ministry or by a member of a religious
5 order in the exercise of duties required by such order;
- 6 (iii) Prior to January 1, 1978, in the employ of a school which is
7 not an institution of higher education, and after December 31, 1977,
8 in the employ of a governmental entity referred to in R.S.43:21-19
- 9 (i) (1) (B), if such service is performed by an individual in the
10 exercise of duties
- 11 (aa) as an elected official;
- 12 (bb) as a member of a legislative body, or a member of the
13 judiciary, of a state or political subdivision;
- 14 (cc) as a member of the State National Guard or Air National
15 Guard;
- 16 (dd) as an employee serving on a temporary basis in case of fire,
17 storm, snow, earthquake, flood or similar emergency;
- 18 (ee) in a position which, under or pursuant to the laws of this
19 State, is designated as a major nontenured policy making or
20 advisory position, or a policy making or advisory position, the
21 performance of the duties of which ordinarily does not require more
22 than eight hours per week; or
- 23 (iv) By an individual receiving rehabilitation or remunerative
24 work in a facility conducted for the purpose of carrying out a
25 program of rehabilitation of individuals whose earning capacity is
26 impaired by age or physical or mental deficiency or injury or
27 providing remunerative work for individuals who because of their
28 impaired physical or mental capacity cannot be readily absorbed in
29 the competitive labor market;
- 30 (v) By an individual receiving work-relief or work-training as
31 part of an unemployment work-relief or work-training program
32 assisted in whole or in part by any federal agency or an agency of a
33 state or political subdivision thereof; or
- 34 (vi) Prior to January 1, 1978, for a hospital in a State prison or
35 other State correctional institution by an inmate of the prison or
36 correctional institution and after December 31, 1977, by an inmate
37 of a custodial or penal institution.
- 38 (E) The term "employment" shall include the services of an
39 individual who is a citizen of the United States, performed outside
40 the United States after December 31, 1971 (except in Canada and in
41 the case of the Virgin Islands, after December 31, 1971) and prior
42 to January 1 of the year following the year in which the U.S.
43 Secretary of Labor approves the unemployment compensation law
44 of the Virgin Islands, under section 3304 (a) of the Internal
45 Revenue Code of 1986 (26 U.S.C. s.3304 (a)) in the employ of an
46 American employer (other than the service which is deemed
47 employment under the provisions of R.S.43:21-19 (i) (2) or (5) or

1 the parallel provisions of another state's unemployment
2 compensation law), if

3 (i) The American employer's principal place of business in the
4 United States is located in this State; or

5 (ii) The American employer has no place of business in the
6 United States, but (I) the American employer is an individual who
7 is a resident of this State; or (II) the American employer is a
8 corporation which is organized under the laws of this State; or (III)
9 the American employer is a partnership or trust and the number of
10 partners or trustees who are residents of this State is greater than the
11 number who are residents of another state; or

12 (iii) None of the criteria of divisions (i) and (ii) of this
13 subparagraph (E) is met but the American employer has elected to
14 become an employer subject to the "unemployment compensation
15 law" (R.S.43:21-1 et seq.) in this State, or the American employer
16 having failed to elect to become an employer in any state, the
17 individual has filed a claim for benefits, based on such service,
18 under the law of this State;

19 (iv) An "American employer," for the purposes of this
20 subparagraph (E), means (I) an individual who is a resident of the
21 United States; or (II) a partnership, if two-thirds or more of the
22 partners are residents of the United States; or (III) a trust, if all the
23 trustees are residents of the United States; or (IV) a corporation
24 organized under the laws of the United States or of any state.

25 (F) Notwithstanding R.S.43:21-19 (i) (2), all service performed
26 after January 1, 1972 by an officer or member of the crew of an
27 American vessel or American aircraft on or in connection with such
28 vessel or aircraft, if the operating office from which the operations
29 of such vessel or aircraft operating within, or within and without,
30 the United States are ordinarily and regularly supervised, managed,
31 directed, and controlled, is within this State.

32 (G) Notwithstanding any other provision of this subsection,
33 service in this State with respect to which the taxes required to be
34 paid under any federal law imposing a tax against which credit may
35 be taken for contributions required to be paid into a state
36 unemployment fund or which as a condition for full tax credit
37 against the tax imposed by the Federal Unemployment Tax Act is
38 required to be covered under the "unemployment compensation
39 law" (R.S.43:21-1 et seq.).

40 (H) The term "United States" when used in a geographical sense
41 in subsection R.S.43:21-19 (i) includes the states, the District of
42 Columbia, the Commonwealth of Puerto Rico and, effective on the
43 day after the day on which the U.S. Secretary of Labor approves for
44 the first time under section 3304 (a) of the Internal Revenue Code
45 of 1986 (26 U.S.C. s.3304 (a)) an unemployment compensation law
46 submitted to the Secretary by the Virgin Islands for such approval,
47 the Virgin Islands.

1 (I) (i) Service performed after December 31, 1977 in agricultural
2 labor in a calendar year for an entity which is an employer as
3 defined in the "unemployment compensation law," (R.S.43:21-1 et
4 seq.) as of January 1 of such year; or for an employing unit which

5 (aa) during any calendar quarter in either the current or the
6 preceding calendar year paid remuneration in cash of \$20,000.00 or
7 more for individuals employed in agricultural labor, or

8 (bb) for some portion of a day in each of 20 different calendar
9 weeks, whether or not such weeks were consecutive, in either the
10 current or the preceding calendar year, employed in agricultural
11 labor 10 or more individuals, regardless of whether they were
12 employed at the same moment in time.

13 (ii) for the purposes of this subsection any individual who is a
14 member of a crew furnished by a crew leader to perform service in
15 agricultural labor for any other entity shall be treated as an
16 employee of such crew leader

17 (aa) if such crew leader holds a certification of registration under
18 the Migrant and Seasonal Agricultural Worker Protection Act,
19 Pub.L.97-470 (29 U.S.C. s.1801 et seq.), or P.L.1971, c.192
20 (C.34:8A-7 et seq.); or substantially all the members of such crew
21 operate or maintain tractors, mechanized harvesting or cropdusting
22 equipment, or any other mechanized equipment, which is provided
23 by such crew leader; and

24 (bb) if such individual is not an employee of such other person
25 for whom services were performed.

26 (iii) For the purposes of subparagraph (I) (i) in the case of any
27 individual who is furnished by a crew leader to perform service in
28 agricultural labor or any other entity and who is not treated as an
29 employee of such crew leader under (I) (ii)

30 (aa) such other entity and not the crew leader shall be treated as
31 the employer of such individual; and

32 (bb) such other entity shall be treated as having paid cash
33 remuneration to such individual in an amount equal to the amount
34 of cash remuneration paid to such individual by the crew leader
35 (either on his own behalf or on behalf of such other entity) for the
36 service in agricultural labor performed for such other entity.

37 (iv) For the purpose of subparagraph (I)(ii), the term "crew
38 leader" means an individual who

39 (aa) furnishes individuals to perform service in agricultural labor
40 for any other entity;

41 (bb) pays (either on his own behalf or on behalf of such other
42 entity) the individuals so furnished by him for the service in
43 agricultural labor performed by them; and

44 (cc) has not entered into a written agreement with such other
45 entity under which such individual is designated as an employee of
46 such other entity.

47 (J) (i) Domestic service after December 31, 1977 and before the
48 effective date of P.L.2023, c.262 (C.34:11-69 et al.) performed in

1 the private home of an employing unit which paid cash
2 remuneration of \$1,000.00 or more to one or more individuals for
3 such domestic service in any calendar quarter in the current or
4 preceding calendar year.

5 (ii) Domestic services after the effective date of P.L.2023, c.262
6 (C.34:11-69 et al.), performed in the private home of an employing
7 unit which in either the current or preceding calendar year paid
8 remuneration for employment in the amount of \$1,000 or more.

9 (2) The term "employment" shall include an individual's entire
10 service performed within or both within and without this State if:

11 (A) The service is localized in this State; or

12 (B) The service is not localized in any state but some of the
13 service is performed in this State, and (i) the base of operations, or,
14 if there is no base of operations, then the place from which such
15 service is directed or controlled, is in this State; or (ii) the base of
16 operations or place from which such service is directed or
17 controlled is not in any state in which some part of the service is
18 performed, but the individual's residence is in this State.

19 (3) Services performed within this State but not covered under
20 paragraph (2) of this subsection shall be deemed to be employment
21 subject to this chapter (R.S.43:21-1 et seq.) if contributions are not
22 required and paid with respect to such services under an
23 unemployment compensation law of any other state or of the federal
24 government.

25 (4) Services not covered under paragraph (2) of this subsection
26 and performed entirely without this State, with respect to no part of
27 which contributions are required and paid under an unemployment
28 compensation law of any other state or of the federal government,
29 shall be deemed to be employment subject to this chapter
30 (R.S.43:21-1 et seq.) if the individual performing such services is a
31 resident of this State and the employing unit for whom such
32 services are performed files with the division an election that the
33 entire service of such individual shall be deemed to be employment
34 subject to this chapter (R.S.43:21-1 et seq.).

35 (5) Service shall be deemed to be localized within a state if:

36 (A) The service is performed entirely within such state; or

37 (B) The service is performed both within and without such state,
38 but the service performed without such state is incidental to the
39 individual's service within the state; for example, is temporary or
40 transitory in nature or consists of isolated transactions.

41 (6) Services performed by an individual for remuneration shall
42 be deemed to be employment subject to this chapter (R.S.43:21-1 et
43 seq.) unless and until it is shown to the satisfaction of the division
44 that:

45 (A) Such individual has been and will continue to be free from
46 control or direction over the performance of such service, both
47 under his contract of service and in fact;

1 (B) Such service is either outside the usual course of the business
2 for which such service is performed, or that such service is
3 performed outside of all the places of business of the enterprise for
4 which such service is performed; and

5 (C) Such individual is customarily engaged in an independently
6 established trade, occupation, profession or business.

7 (7) Provided that such services are also exempt under the Federal
8 Unemployment Tax Act, as amended, or that contributions with
9 respect to such services are not required to be paid into a state
10 unemployment fund as a condition for a tax offset credit against the
11 tax imposed by the Federal Unemployment Tax Act, as amended,
12 the term "employment" shall not include:

13 (A) Agricultural labor performed prior to January 1, 1978; and
14 after December 31, 1977, only if performed in a calendar year for
15 an entity which is not an employer as defined in the "unemployment
16 compensation law," (R.S.43:21-1 et seq.) as of January 1 of such
17 calendar year; or unless performed for an employing unit which

18 (i) during a calendar quarter in either the current or the preceding
19 calendar year paid remuneration in cash of \$20,000.00 or more to
20 individuals employed in agricultural labor, or

21 (ii) for some portion of a day in each of 20 different calendar
22 weeks, whether or not such weeks were consecutive, in either the
23 current or the preceding calendar year, employed in agricultural
24 labor 10 or more individuals, regardless of whether they were
25 employed at the same moment in time;

26 (B) Domestic service in a private home performed prior to
27 January 1, 1978; and after December 31, 1977, unless performed in
28 the private home of an employing unit which paid cash
29 remuneration of \$1,000.00 or more to one or more individuals for
30 such domestic service in any calendar quarter in the current or
31 preceding calendar year;

32 (C) Service performed by an individual in the employ of his son,
33 daughter or spouse, and service performed by a child under the age
34 of 18 in the employ of his father or mother;

35 (D) Service performed prior to January 1, 1978, in the employ of
36 this State or of any political subdivision thereof or of any
37 instrumentality of this State or its political subdivisions, except as
38 provided in R.S.43:21-19 (i) (1) (B) above, and service in the
39 employ of the South Jersey Port Corporation or its successors;

40 (E) Service performed in the employ of any other state or its
41 political subdivisions or of an instrumentality of any other state or
42 states or their political subdivisions to the extent that such
43 instrumentality is with respect to such service exempt under the
44 Constitution of the United States from the tax imposed under the
45 Federal Unemployment Tax Act, as amended, except as provided in
46 R.S.43:21-19 (i) (1) (B) above;

47 (F) Service performed in the employ of the United States
48 Government or of any instrumentality of the United States exempt

1 under the Constitution of the United States from the contributions
2 imposed by the "unemployment compensation law," except that to
3 the extent that the Congress of the United States shall permit states
4 to require any instrumentalities of the United States to make
5 payments into an unemployment fund under a state unemployment
6 compensation law, all of the provisions of this act shall be
7 applicable to such instrumentalities, and to service performed for
8 such instrumentalities, in the same manner, to the same extent and
9 on the same terms as to all other employers, employing units,
10 individuals and services; provided that if this State shall not be
11 certified for any year by the Secretary of Labor of the United States
12 under section 3304 of the federal Internal Revenue Code of 1986
13 (26 U.S.C. s.3304), the payments required of such instrumentalities
14 with respect to such year shall be refunded by the division from the
15 fund in the same manner and within the same period as is provided
16 in R.S.43:21-14 (f) with respect to contributions erroneously paid to
17 or collected by the division;

18 (G) Services performed in the employ of fraternal beneficiary
19 societies, orders, or associations operating under the lodge system
20 or for the exclusive benefit of the members of a fraternity itself
21 operating under the lodge system and providing for the payment of
22 life, sick, accident, or other benefits to the members of such society,
23 order, or association, or their dependents;

24 (H) Services performed as a member of the board of directors, a
25 board of trustees, a board of managers, or a committee of any bank,
26 building and loan, or savings and loan association, incorporated or
27 organized under the laws of this State or of the United States, where
28 such services do not constitute the principal employment of the
29 individual;

30 (I) Service with respect to which unemployment insurance is
31 payable under an unemployment insurance program established by
32 an Act of Congress;

33 (J) Service performed by agents of mutual fund brokers or
34 dealers in the sale of mutual funds or other securities, by agents of
35 insurance companies, exclusive of industrial insurance agents or by
36 agents of investment companies, if the compensation to such agents
37 for such services is wholly on a commission basis;

38 (K) Services performed by real estate salesmen or brokers who
39 are compensated wholly on a commission basis;

40 (L) Services performed in the employ of any veterans'
41 organization chartered by Act of Congress or of any auxiliary
42 thereof, no part of the net earnings of which organization, or
43 auxiliary thereof, inures to the benefit of any private shareholder or
44 individual;

45 (M) Service performed for or in behalf of the owner or operator
46 of any theater, ballroom, amusement hall or other place of
47 entertainment, not in excess of 10 weeks in any calendar year for
48 the same owner or operator, by any leader or musician of a band or

1 orchestra, commonly called a "name band," entertainer, vaudeville
2 artist, actor, actress, singer or other entertainer;

3 (N) Services performed after January 1, 1973 by an individual
4 for a labor union organization, known and recognized as a union
5 local, as a member of a committee or committees reimbursed by the
6 union local for time lost from regular employment, or as a part-time
7 officer of a union local and the remuneration for such services is
8 less than \$1,000.00 in a calendar year;

9 (O) Services performed in the sale or distribution of merchandise
10 by home-to-home salespersons or in-the-home demonstrators whose
11 remuneration consists wholly of commissions or commissions and
12 bonuses;

13 (P) Service performed in the employ of a foreign government,
14 including service as a consular, nondiplomatic representative, or
15 other officer or employee;

16 (Q) Service performed in the employ of an instrumentality
17 wholly owned by a foreign government if (i) the service is of a
18 character similar to that performed in foreign countries by
19 employees of the United States Government or of an instrumentality
20 thereof, and (ii) the division finds that the United States Secretary
21 of State has certified to the United States Secretary of the Treasury
22 that the foreign government, with respect to whose instrumentality
23 exemption is claimed, grants an equivalent exemption with respect
24 to similar services performed in the foreign country by employees
25 of the United States Government and of instrumentalities thereof;

26 (R) Service in the employ of an international organization
27 entitled to enjoy the privileges, exemptions and immunities under
28 the International Organizations Immunities Act (22 U.S.C. s.288 et
29 seq.);

30 (S) Service covered by an election duly approved by an agency
31 charged with the administration of any other state or federal
32 unemployment compensation or employment security law, in
33 accordance with an arrangement pursuant to R.S.43:21-21 during
34 the effective period of such election;

35 (T) Service performed in the employ of a school, college, or
36 university if such service is performed (i) by a student enrolled at
37 such school, college, or university on a full-time basis in an
38 educational program or completing such educational program
39 leading to a degree at any of the severally recognized levels, or (ii)
40 by the spouse of such a student, if such spouse is advised at the time
41 such spouse commences to perform such service that (I) the
42 employment of such spouse to perform such service is provided
43 under a program to provide financial assistance to such student by
44 such school, college, or university, and (II) such employment will
45 not be covered by any program of unemployment insurance;

46 (U) Service performed by an individual who is enrolled at a
47 nonprofit or public educational institution which normally
48 maintains a regular faculty and curriculum and normally has a

1 regularly organized body of students in attendance at the place
2 where its educational activities are carried on, as a student in a full-
3 time program, taken for credit at such institution, which combines
4 academic instruction with work experience, if such service is an
5 integral part of such program, and such institution has so certified
6 to the employer, except that this subparagraph shall not apply to
7 service performed in a program established for or on behalf of an
8 employer or group of employers;

9 (V) Service performed in the employ of a hospital, if such
10 service is performed by a patient of the hospital; service performed
11 as a student nurse in the employ of a hospital or a nurses' training
12 school by an individual who is enrolled and regularly attending
13 classes in a nurses' training school approved under the laws of this
14 State;

15 (W) Services performed after the effective date of this
16 amendatory act by agents of mutual benefit associations if the
17 compensation to such agents for such services is wholly on a
18 commission basis;

19 (X) Services performed by operators of motor vehicles weighing
20 18,000 pounds or more, licensed for commercial use and used for
21 the highway movement of motor freight, who own their equipment
22 or who lease or finance the purchase of their equipment through an
23 entity which is not owned or controlled directly or indirectly by the
24 entity for which the services were performed and who were
25 compensated by receiving a percentage of the gross revenue
26 generated by the transportation move or by a schedule of payment
27 based on the distance and weight of the transportation move;

28 (Y) (Deleted by amendment, P.L.2009, c.211.)

29 (Z) Services performed, using facilities provided by a travel
30 agent, by a person, commonly known as an outside travel agent,
31 who acts as an independent contractor, is paid on a commission
32 basis, sets his own work schedule and receives no benefits, sick
33 leave, vacation or other leave from the travel agent owning the
34 facilities.

35 (AA) Services provided by a commercial fisherman whose
36 compensation is comprised solely of a percentage of fish caught or
37 a percentage of the proceeds from the sale of the catch.

38 (8) If one-half or more of the services in any pay period
39 performed by an individual for an employing unit constitutes
40 employment, all the services of such individual shall be deemed to
41 be employment; but if more than one-half of the service in any pay
42 period performed by an individual for an employing unit does not
43 constitute employment, then none of the service of such individual
44 shall be deemed to be employment. As used in this paragraph, the
45 term "pay period" means a period of not more than 31 consecutive
46 days for which a payment for service is ordinarily made by an
47 employing unit to individuals in its employ.

1 (9) Services performed by the owner of a limousine franchise
2 (franchisee) shall not be deemed to be employment subject to the
3 "unemployment compensation law," R.S.43:21-1 et seq., with
4 regard to the franchisor if:

5 (A) The limousine franchisee is incorporated;

6 (B) The franchisee is subject to regulation by the Interstate
7 Commerce Commission;

8 (C) The limousine franchise exists pursuant to a written franchise
9 arrangement between the franchisee and the franchisor as defined
10 by section 3 of P.L.1971, c.356 (C.56:10-3); and

11 (D) The franchisee registers with the Department of Labor and
12 Workforce Development and receives an employer registration
13 number.

14 (10) Services performed by a legal transcriber, or certified court
15 reporter certified pursuant to P.L.1940, c.175 (C.45:15B-1 et seq.),
16 shall not be deemed to be employment subject to the
17 "unemployment compensation law," R.S.43:21-1 et seq., if those
18 services are provided to a third party by the transcriber or reporter
19 who is referred to the third party pursuant to an agreement with
20 another legal transcriber or legal transcription service, or certified
21 court reporter or court reporting service, on a freelance basis,
22 compensation for which is based upon a fee per transcript page, flat
23 attendance fee, or other flat minimum fee, or combination thereof,
24 set forth in the agreement.

25 For purposes of this paragraph (10): "legal transcription service"
26 and "legal transcribing" mean making use, by audio, video or voice
27 recording, of a verbatim record of court proceedings, depositions,
28 other judicial proceedings, meetings of boards, agencies,
29 corporations, or other bodies or groups, and causing that record to
30 be printed in readable form or produced on a computer screen in
31 readable form; and "legal transcriber" means a person who engages
32 in "legal transcribing."

33 (j) "Employment office" means a free public employment office,
34 or branch thereof operated by this State or maintained as a part of a
35 State-controlled system of public employment offices.

36 (k) (Deleted by amendment, P.L.1984, c.24.)

37 (l) "State" includes, in addition to the states of the United States
38 of America, the District of Columbia, the Virgin Islands and Puerto
39 Rico.

40 (m) "Unemployment."

41 (1) An individual shall be deemed "unemployed" for any week
42 during which:

43 (A) The individual is not engaged in full-time work and with
44 respect to which his remuneration is less than his weekly benefit
45 rate, including any week during which he is on vacation without
46 pay; provided such vacation is not the result of the individual's
47 voluntary action, except that for benefit years commencing on or
48 after July 1, 1984, an officer of a corporation, or a person who has

1 more than a 5% equitable or debt interest in the corporation, whose
2 claim for benefits is based on wages with that corporation shall not
3 be deemed to be unemployed in any week during the individual's
4 term of office or ownership in the corporation; or

5 (B) The individual is eligible for and receiving a self-
6 employment assistance allowance pursuant to the requirements of
7 P.L.1995, c.394 (C.43:21-67 et al.).

8 (2) The term "remuneration" with respect to any individual for
9 benefit years commencing on or after July 1, 1961, and as used in
10 this subsection, shall include only that part of the same which in
11 any week exceeds 20% of his weekly benefit rate (fractional parts
12 of a dollar omitted) or \$5.00, whichever is the larger, and shall not
13 include any moneys paid to an individual by a county board of
14 elections for work as a board worker on an election day or for work
15 pursuant to subsection d. of section 1 of P.L.2021, c.40 (C.19:15A-
16 1) during the early voting period.

17 (3) An individual's week of unemployment shall be deemed to
18 commence only after the individual has filed a claim at an
19 unemployment insurance claims office, except as the division may
20 by regulation otherwise prescribe.

21 (n) "Unemployment compensation administration fund" means
22 the unemployment compensation administration fund established by
23 this chapter (R.S.43:21-1 et seq.), from which administrative
24 expenses under this chapter (R.S.43:21-1 et seq.) shall be paid.

25 (o) "Wages" means remuneration paid by employers for
26 employment. If a worker receives gratuities regularly in the course
27 of his employment from other than his employer, his "wages" shall
28 also include the gratuities so received, if reported in writing to his
29 employer in accordance with regulations of the division, and if not
30 so reported, his "wages" shall be determined in accordance with the
31 minimum wage rates prescribed under any labor law or regulation
32 of this State or of the United States, or the amount of remuneration
33 actually received by the employee from his employer, whichever is
34 the higher.

35 (p) "Remuneration" means all compensation for personal
36 services, including commission and bonuses and the cash value of
37 all compensation in any medium other than cash.

38 (q) "Week" means for benefit years commencing on or after
39 October 1, 1984, the calendar week ending at midnight Saturday, or
40 as the division may by regulation prescribe.

41 (r) "Calendar quarter" means the period of three consecutive
42 calendar months ending March 31, June 30, September 30, or
43 December 31.

44 (s) "Investment company" means any company as defined in
45 subsection a. of section 1 of P.L.1938, c.322 (C.17:16A-1).

46 (t) (1) (Deleted by amendment, P.L.2001, c.17).

47 (2) "Base week," commencing on or after January 1, 1996 and
48 before January 1, 2001, means:

1 (A) Any calendar week during which the individual earned in
2 employment from an employer remuneration not less than an
3 amount which is 20% of the Statewide average weekly
4 remuneration defined in subsection (c) of R.S.43:21-3 which
5 amount shall be adjusted to the next higher multiple of \$1.00 if not
6 already a multiple thereof, except that if in any calendar week an
7 individual subject to this subparagraph (A) is in employment with
8 more than one employer, the individual may in that calendar week
9 establish a base week with respect to each of the employers from
10 whom the individual earns remuneration equal to not less than the
11 amount defined in this subparagraph (A) during that week; or

12 (B) If the individual does not establish in his base year 20 or
13 more base weeks as defined in subparagraph (A) of this paragraph
14 (2), any calendar week of an individual's base year during which the
15 individual earned in employment from an employer remuneration
16 not less than an amount 20 times the minimum wage in effect
17 pursuant to section 5 of P.L.1966, c.113 (C.34:11-56a4) on October
18 1 of the calendar year preceding the calendar year in which the
19 benefit year commences, which amount shall be adjusted to the next
20 higher multiple of \$1.00 if not already a multiple thereof, except
21 that if in any calendar week an individual subject to this
22 subparagraph (B) is in employment with more than one employer,
23 the individual may in that calendar week establish a base week with
24 respect to each of the employers from whom the individual earns
25 remuneration not less than the amount defined in this subparagraph
26 (B) during that week.

27 (3) "Base week," commencing on or after January 1, 2001,
28 means any calendar week during which the individual earned in
29 employment from an employer remuneration not less than an
30 amount 20 times the minimum wage in effect pursuant to section 5
31 of P.L.1966, c.113 (C.34:11-56a4) on October 1 of the calendar
32 year preceding the calendar year in which the benefit year
33 commences, which amount shall be adjusted to the next higher
34 multiple of \$1.00 if not already a multiple thereof, except that if in
35 any calendar week an individual subject to this paragraph (3) is in
36 employment with more than one employer, the individual may in
37 that calendar week establish a base week with respect to each of the
38 employers from whom the individual earns remuneration equal to
39 not less than the amount defined in this paragraph (3) during that
40 week.

41 (u) "Average weekly wage" means the amount derived by
42 dividing an individual's total base year wages by the number of base
43 weeks worked by the individual during the base year; provided that
44 for the purpose of computing the average weekly wage, the
45 maximum number of base weeks used in the divisor shall be 52. In
46 the event that such claimant had no employer in his base year with
47 whom he had established at least 20 base weeks, then such
48 individual's average weekly wage shall be computed as if all of his

1 base week wages were received from one employer and as if all his
2 base weeks of employment had been performed in the employ of
3 one employer.

4 For the purpose of computing the average weekly wage, the
5 monetary alternative in subparagraph (B) of paragraph (4) or
6 subparagraph (B) of paragraph (5) of subsection (e) of R.S.43:21-4
7 shall only apply in those instances where the individual did not
8 have at least 20 base weeks in the base year.

9 (v) "Initial determination" means, subject to the provisions of
10 R.S.43:21-6(b)(2) and (3), a determination of benefit rights as
11 measured by an eligible individual's base year employment with a
12 single employer covering all periods of employment with that
13 employer during the base year.

14 (w) "Last date of employment" means the last calendar day in the
15 base year of an individual on which he performed services in
16 employment for a given employer.

17 (x) "Most recent base year employer" means that employer with
18 whom the individual most recently, in point of time, performed
19 service in employment in the base year.

20 (y) (1) "Educational institution" means any public or other
21 nonprofit institution (including an institution of higher education):

22 (A) In which participants, trainees, or students are offered an
23 organized course of study or training designed to transfer to them
24 knowledge, skills, information, doctrines, attitudes or abilities from,
25 by or under the guidance of an instructor or teacher;

26 (B) Which is approved, licensed or issued a permit to operate as
27 a school by the State Department of Education or other government
28 agency that is authorized within the State to approve, license or
29 issue a permit for the operation of a school; and

30 (C) Which offers courses of study or training which may be
31 academic, technical, trade, or preparation for gainful employment in
32 a recognized occupation.

33 (2) "Institution of higher education" means an educational
34 institution which:

35 (A) Admits as regular students only individuals having a
36 certificate of graduation from a high school, or the recognized
37 equivalent of such a certificate;

38 (B) Is legally authorized in this State to provide a program of
39 education beyond high school;

40 (C) Provides an educational program for which it awards a
41 bachelor's or higher degree, or provides a program which is
42 acceptable for full credit toward such a degree, a program of post-
43 graduate or post-doctoral studies, or a program of training to
44 prepare students for gainful employment in a recognized
45 occupation; and

46 (D) Is a public or other nonprofit institution.

1 Notwithstanding any of the foregoing provisions of this
2 subsection, all colleges and universities in this State are institutions
3 of higher education for purposes of this section.

4 (z) "Hospital" means an institution which has been licensed,
5 certified or approved under the law of this State as a hospital.

6 (aa) "Pay period" means, except as provided in paragraph (8) of
7 subsection (i) of this section, the regular time frame established by
8 an employer, in the ordinary course of its payroll practices, for
9 which wages are paid to an employee.

10 (cf: P.L.2024, c.102, s.7)

11
12 5. Within 18 months after the effective date of this act, the
13 Department of Labor and Workforce Development, in consultation
14 with the New Jersey Innovation Authority and the other
15 departments or agencies that administer government benefits or
16 services, shall provide a report to the Governor and to the
17 Legislature, pursuant to section 2 of P.L.1991, c.164 (C.52:14-
18 19.1), regarding options to expand income reporting to support
19 more comprehensive, automated income verification for secure and
20 accurate administration of government benefits or services. The
21 report shall identify opportunities to: expand coverage to self-
22 employed individuals; expand coverage to other income,
23 compensation, and employers not covered under this act; and reduce
24 administrative burdens on the beneficiaries of government benefits
25 or services.

26
27 6. This act shall take effect immediately.

28 29 30 STATEMENT

31
32 This bill enacts the "Efficient Income Verification Act." The bill
33 requires employers to report wage information to the Department of
34 Labor and Workforce Development in each pay period. Current law
35 requires employers to report that information quarterly. The bill
36 also requires employers to report the start and end dates of relevant
37 pay periods, pay dates, pay frequency, and hours worked.

38 The bill requires wage information to be shared with the
39 Department of Human Services for the purpose of accurately
40 verifying eligibility for public assistance. The Department of Labor
41 and Workforce Development is required to continually furnish or
42 otherwise provide timely access to wage information, including, but
43 not limited to, wages and hours worked, to the Department of
44 Human Services to facilitate up-to-date and accurate income
45 verification and eligibility determinations.

46 The bill authorizes the Department of Labor and Workforce
47 Development to share information reported by employers with any
48 agency of this State for the exclusive purposes of determining

1 eligibility for, and the accurate issuance of, public assistance or
2 benefits, or for the automating or streamlining delivery of those
3 benefits or services. The bill also authorizes the Department of
4 Labor and Workforce Development to enter into agreements with
5 other agencies of this State to develop and implement systems
6 which automate and streamline the delivery of public benefits or
7 services.

8 The bill requires the Department of Labor and Workforce
9 Development, in consultation with the New Jersey Innovation
10 Authority and the other departments or agencies that administer
11 government benefits or services, to provide a report to the Governor
12 and to the Legislature regarding options to expand income reporting
13 to support more comprehensive, automated income verification for
14 secure and accurate administration of government benefits or
15 services.