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ISSUE DATE: DECEMBER 15, 2014

RULE ADOPTIONS

LABOR AND WORKFORCE DEVELOPMENT INCOME SECURITY

46 N.J.R. 2417(a)

Adopted Amendments: N.J.A.C. 12:15-1.2, 1.3, 1.4, 1.5, and 1.6

2015 Maximum Weekly Benefit Rates

2015 Taxable Wage Base Under the Unemployment Compensation Law

2015 Contribution Rate of Governmental Entities and Instrumentalities

2015 Base Week

2015 Alternate Earnings Test

Proposed: September 2, 2014, at 46 N.J.R. 1861(a).

Adopted: November 18, 2014, by Harold J. Wirths, Commissioner, Department of Labor and Workforce Development.

Filed: November 18, 2014, as R.2014 d.191, without change.

Authority: N.J.S.A. 34:1-5, 34:1-20, 34:1A-3(e), 43:21-3(c), 43:21-4(e), 43:21-7(b)(3), 43:21-7.3(e), 43:21-19(t), 43:21-27, 43:21-40, and 43:21-41.

Effective Date: December 15, 2014.

Expiration Date: April 21, 2018.

Summary of Hearing Officer's Recommendations and Agency's Response:

A public hearing on the proposed amendments was held on September 23, 2014, at the Department of Labor and Workforce Development, John Fitch Plaza, Trenton, New Jersey. David Fish, Executive Director, Legal and Regulatory Services, was available to preside at the hearing and to receive testimony. No one testified at the public hearing. The Department received a single written comment. The hearing officer reviewed the single written comment and recommended that the Department proceed with the amendments without change.

Summary of Public Comment and Agency Response:

A written comment was submitted by Jean Public, (submitted by e-mail with no mailing address).

COMMENT: The following is the commenter's remark in its entirety:

Your calculation of raising the UI payout must be wrong or needs to be changed because the rate of pay of most NJ working people is no way as you are claiming to be over \$1,000 per week. I am sure State workers and federal workers may be making that, but the average person trying to work in NJ is no way making that kind of pay in NJ. Either your calculations are incorrect or the rule on calculations needs to be changed because these rates are going much too high and in fact represent a good reason not to work. They should never be allowed to go that high.

RESPONSE: The Department is required by statute, *N.J.S.A.* 43:21-3 and 43:21-40, to re-compute and promulgate on an annual basis the maximum weekly benefit rate for unemployment compensation and the maximum weekly benefit rate for State Plan temporary disability and family leave insurance benefits. The formula for calculating these new rates is also set forth within *N.J.S.A.* 43:21-3 (unemployment compensation) and 43:21-40 (temporary disability and family leave insurance benefits). Specifically, *N.J.S.A.* 43:21-3 states that the maximum weekly benefit rate for unemployment compensation shall be 56 and 2/3 percent of the Statewide average weekly remuneration paid to workers by employers subject to the Unemployment Compensation Law (*N.J.S.A.* 43:21-1 et seq.), computed to the next lower multiple of \$ 1.00 if not already a multiple thereof. *N.J.S.A.* 43:21-40 states that the maximum weekly benefit rate for State Plan temporary disability and family leave insurance benefits shall be 53 percent of the Statewide average weekly remuneration paid to workers by employers subject to the Unemployment Compensation Law (*N.J.S.A.* 43:21-1 et seq.), computed to the next lower multiple of \$ 1.00 if not already a multiple thereof. The Statewide weekly wage of workers covered under the Unemployment Compensation Law for calendar year 2013 was \$ 1,140.02. Fifty-six and 2/3 percent of \$ 1,140.02, computed to the next lower multiple of \$ 1.00, is \$ 646.00. Fifty-three percent of \$ 1,140.02, computed to the next lower multiple of \$ 1.00, is \$ 604.00. The Department has no discretion under the law to deviate from these calculations.

Federal Standards Statement

The adopted amendments do not contain any standards or requirements that exceed standards or requirements imposed by Federal law. The adopted amendments affect benefit and contribution levels under the Unemployment Compensation and Temporary Disability Benefits Laws. As a result, an explanation or analysis of the adopted amendments pursuant to Executive Order No. 27 (1994) is not required.

Full text of the adoption follows:

SUBCHAPTER 1. GENERAL PROVISIONS

12:15-1.2 Maximum weekly benefit rates

- (a) In accordance with the provisions of the Unemployment Compensation Law, *N.J.S.A.* 43:21-1 et seq., the maximum weekly benefit rate under the Unemployment Compensation Law is hereby promulgated as being \$ 646.00 per week.
- (b) The maximum weekly benefit rate for State Plan temporary disability and family leave insurance benefits under the Temporary Disability Benefits Law is hereby promulgated as being \$ 604.00 per week.
- (c) These maximum benefits shall be effective for the calendar year 2015 on unemployment compensation benefit years and periods of disability and family leave commencing on or after January 1, 2015.

12:15-1.3 Taxable wage base under the Unemployment Compensation Law

In accordance with the provisions of N.J.S.A. 43:21-7(b)(3), the "wages" of any individual with respect to any one employer for the purpose of contributions under the Unemployment Compensation Law shall include the first \$ 32,000 during the calendar year 2015.

[page=2418] 12:15-1.4 Contribution rate of governmental entities and instrumentalities

- (a) (No change.)
- (b) This contribution rate shall be effective on taxable wages paid in the calendar year 2015.

12:15-1.5 Base week

In accordance with the provisions of N.J.S.A. 43:21-19(c)(1) and (t)(3) and 43:21-27(h)(4), the base week amount is hereby promulgated as being \$ 165.00 per week for calendar year 2015.

12:15-1.6 Alternative earnings test

In accordance with the provisions of N.J.S.A. 43:21-4(e)(4)(B) and 43:21-41(d)(2), in those instances in which the individual has not established 20 base weeks, the alternative earnings amount for establishing eligibility is hereby promulgated as being \$8,300 for unemployment compensation benefit years and periods of disability and family leave commencing on or after January 1, 2015.