

N.J.A.S. 43:21-14.3 Unemployment compensation interest repayment fund; deposits, administration and disbursement; special assessment against employers; exceptions

a. The Unemployment Compensation Interest Repayment Fund is established in the Department of Labor and shall be used solely for the purpose of paying interest due on any advances made from the federal unemployment account under Title XII of the Social Security Act (42 U.S.C. 1321 et seq.). All moneys deposited in this fund shall be deposited, administered and disbursed in the same manner and under the same conditions and requirements as is provided by law for other special funds in the State Treasury.

b. On or before June 30 of each year the Commissioner of Labor shall review the status of any interest bearing advances made from the federal unemployment account to determine the interest amount (if any) to be repaid to the United States Treasury by September 30 of that calendar year, pursuant to the provisions of section 1202(b) of the Social Security Act, 42 U.S.C. 1322. If it is determined that interest shall be paid to the United States Treasury, the Commissioner of Labor shall first determine whether there are sufficient moneys in the unemployment compensation auxiliary fund, as established in subsection (g) of R.S. 43:21-14, to repay the entire interest amount due on September 30 of that calendar year. If it is determined that there are sufficient moneys in the unemployment compensation auxiliary fund to repay the entire amount, no special assessment on employers shall be made. If, however, it is determined that there are insufficient moneys in the unemployment compensation auxiliary fund to repay the entire interest amount due on September 30 of that calendar year, a special assessment shall be made against all employers, except governmental entities or instrumentalities defined as employers under R.S. 43:21-19(h)(5) and nonprofit organizations defined as employers under R.S. 43:21-19(h)(6).

c. In the event that it shall be necessary to make a special assessment, the commissioner shall establish the ratio of the amount of interest determined under subsection b. of this section to 95% of the total employer contributions payable for unemployment insurance on taxable wages paid during the preceding calendar year by all employers subject to this interest assessment. This ratio shall be calculated to five significant figures and rounded upward to the next highest ten thousandth. The assessment against each employer shall be in an amount equal to its unemployment contributions payable on the total taxable wages it paid during the preceding calendar year multiplied by the ratio established herein but in no event shall any assessment be less than \$ 5.00. This special assessment shall be mailed by the controller to all affected employers on or before July 31 and shall be due 30 days from that date. This assessment shall be collectible by the controller in the same manner as provided for employer contributions under chapter 21 of Title 43 of the Revised Statutes.

d. All moneys received by the controller under this special assessment shall be deposited in the Unemployment Compensation Interest Repayment Fund. After all known interest charges have been paid, any remaining moneys in the fund may be transferred to the unemployment compensation auxiliary fund at the discretion of the Commissioner of Labor.