### [First Reprint]

## **SENATE, No. 1967**

# STATE OF NEW JERSEY

### 218th LEGISLATURE

INTRODUCED FEBRUARY 22, 2018

#### **Sponsored by:**

Senator STEPHEN M. SWEENEY

**District 3 (Cumberland, Gloucester and Salem)** 

Senator FRED H. MADDEN, JR.

**District 4 (Camden and Gloucester)** 

Assemblywoman MILA M. JASEY

**District 27 (Essex and Morris)** 

Assemblyman ADAM J. TALIAFERRO

**District 3 (Cumberland, Gloucester and Salem)** 

Assemblyman DANIEL R. BENSON

**District 14 (Mercer and Middlesex)** 

#### Co-Sponsored by:

Assemblywomen Mosquera, Vainieri Huttle and Downey

#### **SYNOPSIS**

Concerns certain workers' compensation supplemental benefits.

#### **CURRENT VERSION OF TEXT**

As reported by the Senate Budget and Appropriations Committee on October 15, 2018, with amendments.

(Sponsorship Updated As Of: 2/26/2019)

**AN ACT** concerning workers' compensation benefits and supplementing chapter 15 of Title 34 of the Revised Statutes.

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

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7 1. a. Beginning with the fiscal year 2020, commencing July 1, 2019, and each fiscal year thereafter, a person who is <sup>1</sup>[an 8 9 employee a public safety worker, or a dependent of the <sup>1</sup>[employee] <u>public safety worker</u><sup>1</sup>, who is receiving weekly 10 benefits pursuant to subsection (b) of R.S.34:15-12, R.S.34:15-13, 11 12 or R.S.34:15-95 for a disability or death that occurred after December 31, 1979, and who is not entitled to receive special 13 adjustment benefits pursuant to section 1 of P.L.1980, c.83 14 15 (C.34:15-95.4), shall be entitled to receive weekly supplemental benefits from the Second Injury Fund during the period in which the 16 17 person is eligible to receive the initially-awarded weekly benefits, 18 whenever the amount of the initially-awarded weekly benefits is 19 less than the total amount of weekly benefits that would be payable 20 to the person if that total amount included weekly supplemental 21 benefits calculated in the manner indicated in subsection b. of this 22 In making the determination of the aggregate annual 23 surcharge for the Second Injury Fund to be levied pursuant to 24 paragraph (4) of subsection c. of R.S.34:15-94 for calendar year 2019 and each subsequent calendar year, the <sup>1</sup>[commissioner] 25 Commissioner of Labor and Workforce Development shall include 26 the anticipated additional amounts, including administrative costs, 27 28 required for payment of supplemental benefits pursuant to this 29 section during the fiscal year which begins on July 1 of the 30 respective calendar year.

b. The base amount of the weekly supplemental benefits to be paid pursuant to this section during each fiscal year shall be calculated in a manner so that when it is added to the workers' compensation weekly benefits initially awarded, the sum of the initial award and the base weekly supplemental benefits shall bear the same percentage relationship to the maximum workers' compensation rate for the current fiscal year that the person's initial compensation bore to the maximum workers' compensation rate in effect at the time of the injury or death 1. The actual amount of the supplemental benefits paid pursuant to this section shall be 33 1/3% of the base amount during fiscal year 2020; 66 2/3% of the base amount during fiscal year 2021; and 100% of the base amount during fiscal year 2022 and thereafter 1, except that:

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

(1) The actual amount of the supplemental benefits paid pursuant to this section shall be reduced if necessary, and as much as is needed, to ensure that the sum of disability benefits provided under the Federal Old Age, Survivors and Disability Insurance Act, the weekly supplemental benefits and the workers' compensation initially awarded does not, with respect to any particular case, exceed the amount which would cause any reduction pursuant to 42 U.S.C. 424a of the amount of disability benefits for which the individual is eligible under the Federal Old Age, Survivors and Disability Insurance Act;

- (2) The actual amount of the supplemental benefits paid pursuant to this section to any individual shall, in cases not subject to the provisions of paragraph (1) of this subsection, be reduced by an amount equal to the individual's benefit payable under the Federal Old-Age, Survivors' and Disability Insurance Act (except for disability benefits paid to that individual under that act and any cost of living increases in benefits paid to that individual under that act), Black Lung benefits, or the employer's share of disability pension payments received from or on account of an employer;
- (3) A supplemental benefit shall not be paid if the actual amount of the benefit to be paid is calculated to be less than \$5 per week, and
- (4) A supplemental benefit shall not be paid to an individual who elects to not receive benefits under the Federal Old Age, Survivors and Disability Insurance Act for which the individual is eligible.
- c. Notwithstanding any other provision of this section, weekly supplemental benefits paid pursuant to this section shall not be paid in a manner which in any way changes or modifies the provisions of sections 1 or 9 of P.L.1980, c.83 (C.34:15-95.4 and 34:15-95.5).
- d. An insurance carrier or self-insured employer responsible for the payment of workers' compensation to an individual shall notify the Division of Workers' Compensation of the need to have the Second Injury Fund make supplemental benefit payments to the individual pursuant to this section not later than the 60th day after the date on which it is determined that the payment of supplemental benefits is required pursuant to this section. If the insurance carrier or self-insured employer fails to notify the division and that failure results in the payment of an incorrect amount of benefits, the liability for the payment of the supplemental benefits shall be transferred from the Second Injury Fund to the employer until the time at which the insurance carrier or self-insured employer provides the required notice.
- <sup>1</sup>e. For the purposes of this section, "public safety worker" means a member, employee, or officer of a paid, partially-paid, or volunteer fire or police department, force, company or district, including the State Police or a first aid or rescue squad.<sup>1</sup>

2. This act shall take effect immediately.