## [Second Reprint]

# SENATE, No. 782

# STATE OF NEW JERSEY

## 218th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

Sponsored by:

Senator PAUL A. SARLO

**District 36 (Bergen and Passaic)** 

Senator NICHOLAS P. SCUTARI

**District 22 (Middlesex, Somerset and Union)** 

Assemblywoman JOANN DOWNEY

**District 11 (Monmouth)** 

Assemblyman ERIC HOUGHTALING

**District 11 (Monmouth)** 

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

#### **Co-Sponsored by:**

Assemblywoman Chaparro, Assemblyman Verrelli and Assemblywoman McKnight

#### **SYNOPSIS**

Increases workers' compensation for loss of hand or foot.

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

As reported by the Assembly Labor Committee on December 9, 2019, with amendments.

(Sponsorship Updated As Of: 12/17/2019)

1 An ACT concerning workers' compensation and amending 2 R.S.34:15-12 <sup>2</sup> [and P.L.1948, c.446]<sup>2</sup>.

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

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- 1. R.S.34:15-12 is amended to read as follows:
- 34:15-12. Following is a schedule of compensation:
- 9 For injury producing temporary disability, 70% of the 10 worker's weekly wages received at the time of the injury, subject to 11 a maximum compensation of 75% of the average weekly wages 12 earned by all employees covered by the "unemployment 13 compensation law" (R.S.43:21-1 et seq.) and a minimum of 20% of 14 such average weekly wages a week. This compensation shall be 15 paid during the period of such disability, not however, beyond 400 16 weeks. The amount of the maximum compensation shall be 17 computed, determined, rounded out to the nearest dollar, and 18 promulgated by the Commissioner of Labor and Workforce 19 Development on or before September 1 in each year based on said 20 average weekly wages as of the calendar year preceding, and shall 21 be effective as to injuries occurring in the calendar year following 22 such promulgation. In any year in which the maximum benefit rate 23 based upon said computation would not be increased or decreased 24 beyond \$1.00 in amount, the rate promulgated theretofore shall 25 continue.
  - b. For disability total in character and permanent in quality, 70% of the weekly wages received at the time of injury, subject to a maximum and a minimum compensation as stated in subsection a. of this section. This compensation shall be paid for a period of 450 weeks, at which time compensation payments shall cease unless the employee shall have submitted to such physical or educational rehabilitation as may have been ordered by the rehabilitation commission, and can show that because of such disability it is impossible for the employee to obtain wages or earnings equal to those earned at the time of the accident, in which case further weekly payments shall be made during the period of such disability, the amount thereof to be the previous weekly compensation payment diminished by that portion thereof that the wage, or earnings, the employee is then able to earn, bears to the wages received at the time of the accident. If the employee's wages or earnings equal or exceed wages received at the time of the accident, then the compensation rate shall be reduced to \$5.00. In calculating compensation for this extension beyond 450 weeks the above minimum provision shall not apply. This extension of compensation

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  $\underline{thus}$  is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Senate SBA committee amendments adopted September 24, 2018.

<sup>&</sup>lt;sup>2</sup>Assembly ALA committee amendments adopted December 9, 2019.

payments beyond 450 weeks shall be subject to such periodic reconsiderations and extensions as the case may require, and shall apply only to disability total in character and permanent in quality, and shall not apply to any accident occurring prior to July 4, 1923.

c. For disability partial in character and permanent in quality, weekly compensation shall be paid based upon 70% of the weekly wages received at the time of the injury, subject to a maximum compensation per week of 75% of the Statewide average weekly wages (SAWW) earned by all employees covered by the "unemployment compensation law" (R.S.43:21-1 et seq.) and paid in accordance with the following "Disability Wage and Compensation Schedule" and a minimum of \$35.00 per week. The amount of awards for up to and including 180 weeks shall remain at the amounts listed in the "Disability Wage and Compensation Schedule" until January 1, 1982. On January 1, 1982, the dollar amounts listed for the first 180 weeks in the "Disability Wage and Compensation Schedule" shall be replaced by the following percentages of the Statewide average weekly wage:

19	\$47-20% of the Statewide	\$61-26% SAWW
20	average weekly	\$63-27% SAWW
21	wages, hereinafter	\$66-28% SAWW
22	referred to as "SAWW"	\$68-29% SAWW
23	\$49-21% SAWW	\$70-30% SAWW
24	\$51-22% SAWW	\$73-31% SAWW
25	\$54-23% SAWW	\$75-32% SAWW
26	\$56-24% SAWW	\$77-33% SAWW
27	\$59-25% SAWW	\$80-34% SAWW
28		\$82-35% SAWW

In the event that the 20% limitation for attorney fees as set forth in R.S.34:15-64 is reduced to a maximum of 10% before January 1, 1982, the above schedule shall be effective within 60 days of such reduction in attorney fees. All amounts in the "Disability Wage and Compensation Schedule" shall be rounded out to the nearest dollar. When a claim petition alleges more than one disability, the number of weeks in the award shall be determined and entered separately for each such disability and the number of weeks for each disability shall not be cumulative when entering an award.

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#### DISABILITY WAGE AND COMPENSATION SCHEDULE

41	Weeks of Allowable	Maximum Weekly Compensation
42	Compensation	Applicable
43		
44	first 90 weeks	\$47
45	91 through 96 weeks	\$49
46	97 through 102 weeks	\$49 for the first 96 weeks then \$51
47	for each remaining week	

103 through 108 weeks . \$49 for the first 96 weeks then \$51

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2	for the next 6 weeks then \$54 for	
_	each remaining week	
3	109-114 weeks \$49 for the first 96 weeks then	
4	\$51 for the next 6 weeks then \$54	
5	for the next 6 weeks then \$56 for	
6	each remaining week	
7	115-120 weeks \$49 for the first 96 weeks	
8	then \$51 for the next 6 weeks	
9	then \$54 for the next 6 weeks	
10	then \$56 for the next 6 weeks	
11	then \$59 for each remaining week	
12	121-126 weeks \$49 for the first 96 weeks	
13	then \$51 for the next 6 weeks	
14	then \$54 for the next 6 weeks	
15	then \$56 for the next 6 weeks	
16	then \$59 for the next 6 weeks	
17	then \$61 for each remaining week	
18	127-132 weeks \$49 for the first 96 weeks	
19	then \$51 for the next 6 weeks	
20	then \$54 for the next 6 weeks	
21	then \$56 for the next 6 weeks	
22	then \$59 for the next 6 weeks	
23	then \$61 for the next 6 weeks	
24	then \$63 for each remaining week	
25	133-138 weeks \$49 for the first 96 weeks	
26	then \$51 for the next 6 weeks	
27	then \$54 for the next 6 weeks	
28	then \$56 for the next 6 weeks	
29	then \$59 for the next 6 weeks	
30	then \$61 for the next 6 weeks	
31	then \$63 for the next 6 weeks	
32	then \$66 for each remaining week	
33	139-144 weeks \$49 for the first 96 weeks	
34	then \$51 for the next 6 weeks	
35	then \$54 for the next 6 weeks	
36	then \$56 for the next 6 weeks	
37	then \$59 for the next 6 weeks	
38	then \$61 for the next 6 weeks	
39	then \$63 for the next 6 weeks	
40	then \$66 for the next 6 weeks	
41	then \$68 for each remaining week	
	145-150 weeks \$49 for the first 96 weeks	
42	then \$51 for the next 6 weeks	
42 43		
	then \$54 for the next 6 weeks	
43	then \$54 for the next 6 weeks then \$56 for the next 6 weeks	
43 44	·	
43 44 45	then \$56 for the next 6 weeks	

1	then \$66 for the next 6 weeks
2	then \$68 for the next 6 weeks
3	then \$70 for each remaining week
4	151-156 weeks \$49 for the first 96 weeks
5	then \$51 for the next 6 weeks
6	then \$54 for the next 6 weeks
7	then \$56 for the next 6 weeks
8	then \$59 for the next 6 weeks
9	then \$61 for the next 6 weeks
10	then \$63 for the next 6 weeks
11	then \$66 for the next 6 weeks
12	then \$68 for the next 6 weeks
13	then \$70 for the next 6 weeks
14	then \$73 for each remaining week
15	157-162 weeks \$49 for the first 96 weeks
16	then \$51 for the next 6 weeks
17	then \$54 for the next 6 weeks
18	then \$56 for the next 6 weeks
19	then \$59 for the next 6 weeks
20	then \$61 for the next 6 weeks
21	then \$63 for the next 6 weeks
22	then \$66 for the next 6 weeks
23	then \$68 for the next 6 weeks
24	then \$70 for the next 6 weeks
25	then \$73 for the next 6 weeks
26	then \$75 for each remaining week
27	163-168 weeks \$49 for the first 96 weeks
28	then \$51 for the next 6 weeks
29	then \$54 for the next 6 weeks
30	then \$56 for the next 6 weeks
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31	then \$59 for the next 6 weeks
32	then \$61 for the next 6 weeks
33	then \$63 for the next 6 weeks
34	then \$66 for the next 6 weeks
35	then \$68 for the next 6 weeks
36	then \$70 for the next 6 weeks
37	then \$73 for the next 6 weeks
38	then \$75 for the next 6 weeks
39	then \$77 for each remaining week
40	169-174 weeks \$49 for the first 96 weeks
41	then \$51 for the next 6 weeks
42	then \$54 for the next 6 weeks
43	then \$56 for the next 6 weeks
44	then \$59 for the next 6 weeks
45	then \$61 for the next 6 weeks
46	then \$63 for the next 6 weeks
47	then \$66 for the next 6 weeks
48	then \$68 for the next 6 weeks

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1	then \$70 for the next 6 weeks	
2	then \$73 for the next 6 weeks	
3	then \$75 for the next 6 weeks	
4	then \$77 for the next 6 weeks	
5	then \$80 for each remaining week	
6	175-180 weeks \$49 for the first 96 weeks	
7	then \$51 for the next 6 weeks	
8	then \$54 for the next 6 weeks	
9	then \$56 for the next 6 weeks	
10	then \$59 for the next 6 weeks	
11	then \$61 for the next 6 weeks	
12	then \$63 for the next 6 weeks	
13	then \$66 for the next 6 weeks	
13	then \$68 for the next 6 weeks	
15	·	
_	then \$70 for the next 6 weeks	
16	then \$73 for the next 6 weeks	
17	then \$75 for the next 6 weeks	
18	then \$77 for the next 6 weeks	
19	then \$80 for the next 6 weeks	
20	then \$82 for each remaining week	
21	181-210 weeks 35% of the Statewide average	
22	weekly wages, hereinafter referred	
23	to as "SAWW"	
24	211-240 weeks 40% of SAWW	
25	241-270 weeks 45% of SAWW	
26	271-300 weeks 50% of SAWW	
27	301-330 weeks 55% of SAWW	
28	331-360 weeks 60% of SAWW	
29	361-390 weeks 65% of SAWW	
30	391-420 weeks 70% of SAWW	
31	421-600 weeks 75% of SAWW	
32	Said compensation shall be expressly subject to the provisions	
33	of R.S.34:15-37, and shall be paid to the employee for the period	
34	named in the following schedule (paragraphs 1 to 23 inclusive):	
35	Lost Member Number of Weeks'	
36	Compensation	
37	1. Thumb	
38	2. First finger (commonly called index finger) <sup>1</sup> [50] <u>60</u> <sup>1</sup>	
39	3. Second finger	
40	4. Third finger	
41	5. Fourth finger (commonly called little finger). <sup>1</sup> [20] <u>30</u> <sup>1</sup>	
42	6. Great toe	
43	7. Toe, other than a great toe	
44	8. Hand, or thumb and first and second fingers	
45	(on one hand) or four fingers (on one hand) <sup>1</sup> [245] <u>260</u> <sup>1</sup>	
46	except that, in the event that the loss of function of the	
47	hand is determined to be equal to or greater than a 25%	

1		loss of use of the hand, the award shall be calculated	
2		based on 300 weeks of compensation	on.
3	9.	Arm	330
4	10.	Foot	<sup>1</sup> [230] <u>250</u> <sup>1</sup>
5		except that, in the event that the los	ss of function of the foot
6		is determined to be equal to or great	ter than a 25% loss of use
7		of the foot, the award shall be calcu	lated based on <sup>1</sup> [275]
8		285 <sup>1</sup> weeks of compensation.	
9	11.	Leg	315

- 12. The loss of the first phalange of the thumb or of any finger shall be considered to be equal to the loss of 1/2 of such thumb or finger, and the compensation shall be for 1/2 of the periods of time above specified. The loss of any portion of the thumb or any finger between the terminal joint and the end thereof shall be compensated for a like proportion of the period of time prescribed for the loss of the first phalange of such member.
- 13. The loss of the first phalange and any portion of the second shall be considered as the loss of the entire finger or thumb, but in no case shall the amount received for more than one finger exceed the amount provided in this schedule for the loss of a hand.
- 14. The loss of the first phalange of any toe shall be considered to be equal to the loss of 1/2 of such toe, and compensation shall be for 1/2 of the period of time above specified.
- 15. The loss of the first phalange and any portion of the second shall be considered as the loss of the entire toe.
  - 16. For the loss of vision of an eye, 200 weeks.
- 17. For the enucleation of an eye, 25 weeks, in addition to such compensation, if any, as may be allowable under paragraph 16 of this subsection.
- 30 18. For the loss of a natural tooth, four weeks for each tooth 31 lost.
- 19. For the total loss of hearing in one ear, 60 weeks. For the total loss of hearing in both ears by one accident, 200 weeks.
  - 20. The loss of both hands, or both arms, or both feet, or both legs, or both eyes, or any two thereof as the result of any one accident, shall constitute total and permanent disability to be compensated according to the provisions of subsection b. of this section.
    - 21. Amputation between the elbow and the wrist shall be considered as the equivalent of the loss of a hand amputation at the elbow shall be considered equivalent to the loss of the arm. Amputation between the knee and ankle shall be considered as the equivalent of the loss of a foot, and amputation at the knee shall be considered equivalent to the loss of the leg. An additional amount of 30% of the amputation award shall be added to that award to compute the total award made in amputations of body members, provided, however, that this additional amount shall not be subject to legal fees. <sup>1</sup>An award of permanent total disability shall not bar

an additional amount from being added to an amputation award.

The amount of the additional award shall not be subject to subrogation pursuant to R.S.34:15-40, as it shall not be considered a payment of compensation except for rating purposes.

- 22. In all lesser or other cases involving permanent loss, or where the usefulness of a member of any physical function is permanently impaired, the duration of compensation shall bear such relation to the specific periods of time stated in the above schedule as the disabilities bear to those produced by the injuries named in the schedule. In cases in which the disability is determined as a percentage of total and permanent disability, the duration of the compensation shall be a corresponding portion of 600 weeks. Should the employer and employee be unable to agree upon the amount of compensation to be paid in cases not covered by the schedule, either party may appeal to the Division of Workers' Compensation for a settlement of the controversy.
- 23. Where there is a traumatic hernia, compensation will be allowed if notice thereof is given by the claimant to the employer within 48 hours after the occurrence of the hernia but any Sunday, Saturday or holiday shall be excluded from this 48-hour period.
- d. If previous loss of function to the body, head, a member or an organ is established by competent evidence, and subsequently an injury or occupational disease arising out of and in the course of an employment occurs to that part of the body, head, member or organ, where there was a previous loss of function, then the employer or the employer's insurance carrier at the time of the subsequent injury or occupational disease shall not be liable for any such loss and credit shall be given the employer or the employer's insurance carrier for the previous loss of function and the burden of proof in such matters shall rest on the employer.
- e. In case of the death of the person from any cause other than the accident or occupational disease, during the period of payments for permanent injury, the remaining payments shall be paid to such of the deceased person's dependents as are included in the provisions of R.S.34:15-13 or, if no dependents, the remaining amount due, but not exceeding [\$3,500.00] \$5,000, shall be paid in a lump sum to the proper person for burial and funeral expenses; but no compensation shall be due any other person than the injured employee on account of compensation being paid in excess of 450 weeks on account of disability total in character and permanent in quality as provided by subsection b. of this section.

- <sup>2</sup>[2. Section 3 of P.L.1948, c.446 (C.34:1A-3) is amended to read as follows:
  - 3. The commissioner, as head of the department, shall:
  - (a) Administer the work of the department;

(cf: P.L.1990, c.122, s.1)

1 (b) Appoint and remove officers and other personnel employed 2 within the department, subject to the provisions of [Title 11 of the 3 Revised Statutes] <u>Title 11A of the New Jersey Statutes</u>, Civil 4 Service, and other applicable statutes, except as herein otherwise 5 specifically provided;

- (c) Perform, exercise and discharge the functions, powers and duties of the department through such divisions as may be established by this act or otherwise by law;
- (d) Organize the work of the department in such divisions, not inconsistent with the provisions of this act and in such bureaus and other organizational units as he may determine to be necessary for efficient and effective operation;
- (e) Adopt, issue and promulgate, in the name of the department, such rules and regulations as may be authorized by law;
- (f) Formulate and adopt rules and regulations for the efficient conduct of the work and general administration of the department, its officers and employees;
- (g) Institute or cause to be instituted such legal proceedings or processes as may be necessary properly to enforce and give effect to any of his powers or duties;
- (h) Make an annual report to the Governor and to the Legislature of the department's operations, and render such other reports as the Governor shall from time to time request or as may be required by law;
- (i) Co-ordinate the activities of the department, and the several divisions and other agencies therein, in a manner designed to eliminate overlapping and duplicating functions;
- (j) Integrate within the department, so far as practicable, all staff services of the department and of the several divisions and other agencies therein; [and]
- (k) Study, in consultation with the Commissioner of Banking and Insurance, the State's workers' compensation system and make recommendations that will help foster and maintain an efficient, effective and well-balanced workers' compensation program that is equally responsive to the needs of both the State's workforce and the employer community, and submit a study, with recommendations, to the Governor and the Legislature not later than one year after the effective date of P.L., c. (pending before the Legislature as this bill), and every five years thereafter; and
- (1) Perform such other functions as may be prescribed in this act or by any other law.
- 42 (cf: P.L.1948, c.446, s.3)**]**<sup>2</sup>

**2**[3.] <u>2.</u> This act shall take effect immediately.