Proposed Amendments: N.J.A.C. 12:17-4.1 and 4.3

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Reporting Requirements; Registering for Work and Participating in Work Search Related Activities

Authorized By: Harold J. Wirths, Commissioner, Department of Labor and Workforce Development.

Authority: N.J.S.A. 43:21-7.g.

Calendar Reference: See Summary below for explanation of exception to calendar requirement.


A public hearing on the proposed amendments will be held on the following date at the following location:

Friday, March 15, 2013
10:00 A.M to 12:00 Noon
New Jersey Department of Labor and Workforce Development
John Fitch Plaza
13th Floor Auditorium
Trenton, New Jersey

Please call the Office of Legal and Regulatory Services at (609) 292-2789 if you wish to be included on the list of speakers.

Submit written comments by April 20, 2013 to:

David Fish, Regulatory Officer
Office of Legal and Regulatory Services
Department of Labor and Workforce Development
P.O. Box 110, 13th Floor
The agency proposal follows:

**Summary**

The Department is proposing amendments to *N.J.A.C. 12:17-4.1* and *4.3*, which would make clear that a claimant must not simply "report" when required to do so by the Division of Unemployment Insurance (the Division), but once he or she has reported, that individual must also register for work and participate in other work search related activities as directed. In order to ensure that claimants do, in fact, register for work and participate in other work search related activities, the proposed amendments would also indicate that an individual who fails to register for work or participate in other work search related activities as directed will be ineligible for benefits for the week in which the failure occurred.

Existing *N.J.A.C. 12:17-4.3(e)* states that in addition to reporting to the Division by telephone, by Internet application or by mail, an individual may be required to report in-person to the One-Stop Career Center to register for work and for other work search related activities. Existing *N.J.A.C. 12:17-4.3(e)* also states that a claimant who fails to report for the purpose of participating in, or to complete a scheduled activity at the One-Stop Career Center, shall be ineligible for benefits for the week in which the failure to report occurred. However, the existing rules do not address the situation where the claimant "reports," whether in-person to the One-Stop Career Center or using one of the other methods listed at existing *N.J.A.C. 12:17-4.1*, but then fails to register for work or participate in other work search related activities. For example, a claimant may be required to report by Internet application and may then be instructed by the Division to register for work using the Department's work search engine, Jobs4Jersey. However, under the existing rules, the Department has no power to enforce the latter requirement; that is, the requirement that the claimant register for work on Jobs4Jersey. The proposed amendments are intended to make clear to each claimant that his or her obligation under N.J.A.C. 12:17-4 is two-fold; that is, not simply to "report," but also to register for work and participate in other work search related activities once the individual has reported. The proposed amendments would also ensure that the Division is empowered to enforce the latter requirement; which is to say, to ensure that the Division may not only find the claimant ineligible for benefits for the week in which the claimant fails to report, but also may find the claimant ineligible for benefits during the week in which the claimant reports, but then fails to register for work or participate in other work search related activities.

As the Department has provided a 60-day comment period for this notice of proposal, this notice is excepted from the rulemaking calendar requirements pursuant to *N.J.A.C. 1:30-3.3(a)*.

**Social Impact**

The proposed amendments would have a positive social impact in that they would make clear to claimants what would seem almost axiomatic; which is that they need not simply "report" as directed by the Division, but also, once they have reported, must register for work and participate in other work search related activities as directed. This should eliminate any confusion that claimants might otherwise encounter as a result of the wording of existing N.J.A.C. 12:17-4. The proposed amendments would also have a positive social impact in that they would empower the Division to enforce the latter requirement; which is to say, the proposed amendments would empower the Division to find a claimant ineligible for benefits during the week in which the individual failed to register for work or participate in other work search related activities. Reporting and participating in work search related activities as directed, including registering for work, is the very least that a claimant can do to demonstrate that he or she is actively seeking work. Consequently, using the example cited earlier, if a claimant fails to simply register with Jobs4Jersey, then he or she is not actively seeking work and should not collect benefits.

**Economic Impact**

The proposed amendments would have a positive economic impact on both unemployed individuals and businesses; which is to say that ensuring that each claimant registers for work makes the reemployment of each such individual more likely, thereby hopefully satisfying the needs of New Jersey's businesses while also reducing the unemployment rolls. In addition, the proposed amendments would have a positive economic impact in that they would contribute to the Department’s ongoing efforts to ensure that only those individuals who are entitled to receive unemployment compensation benefits - that is, those otherwise eligible unemployed who are able to work, are available for work and who
demonstrate that they are actively seeking work - receive those benefits. Each such effort benefits all taxpayers in that it helps to restore the solvency of the Unemployment Compensation Trust Fund.

**Federal Standards Statement**

The proposed amendments do not exceed standards or requirements imposed by Federal law. Specifically, the proposed amendments are not inconsistent with the Federal Unemployment Tax Act, 26 U.S.C. §§ 3301 et seq. Consequently, no Federal standards analysis is required.

**Jobs Impact**

The proposed amendments would have no impact on either the generation or loss of jobs.

**Agriculture Industry Impact**

The proposed amendments would have no impact on the agriculture industry.

**Regulatory Flexibility Statement**

The proposed amendments would impose no reporting, recordkeeping, or compliance requirements on small businesses, as that term is defined by the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. The proposed amendments would only affect individual claimants in that they would make clear to claimants that they must not simply "report" when required to do so by the Division, but must also register for work and participate in other work search related activities as directed. The proposed amendments would also affect individual claimants in that they would indicated that a claimant who fails to register for work or participate in other work search related activities as directed will be ineligible for benefits for the week in which the failure occurred.

**Housing Affordability Impact Analysis**

The proposed amendments would not evoke a change in the average costs associated with housing. The basis for this finding is that the proposed amendments pertain to unemployment compensation and have nothing whatsoever to do with housing.

**Smart Growth Development Impact Analysis**

The proposed amendments would not evoke a change in the housing production within Planning Areas 1 and 2, or within designated centers, under the State Development and Redevelopment Plan. The basis for this finding is that the proposed amendments pertain to unemployment compensation and have nothing whatsoever to do with housing production.

**Full text** of the proposal follows (additions indicated in boldface thus; deletions indicated in brackets [thus]):

**SUBCHAPTER 4. REPORTING REQUIREMENTS TO CLAIM UNEMPLOYMENT BENEFITS AND TO REGISTER FOR WORK SEARCH ACTIVITIES**

12:17-4.1 General reporting requirements

(a) Individuals shall report as directed by the Division as to date, time, and place in person, by telephone, by mail, via an Internet application, or as the Division may otherwise prescribe and once the individual has so reported, he or she shall register for work and shall participate in other work search related activities as directed.

(b) An individual who fails to report as directed, fails to register for work, or fails to participate in other work search related activities as directed, will be ineligible for benefits unless, pursuant to a fact-finding hearing, it is determined that there is "good cause" for failing to comply. For the purposes of this subchapter, "good cause" means any situation which was substantial and prevented the claimant from reporting as required by the Division, prevented the claimant from registering for work, or from participating in other work search related activities as directed.

(c) (No change.)
12:17-4.3 Reporting requirements for claiming completed weeks of unemployment benefits, employment services appointments, and other appointments

(a)-(d) (No change.)

(e) In addition to reporting to the Division by telephone, by Internet application, or mail, an individual may be required to report in person to the One-Stop Career Center to register for work and for other work search related activities. The individual may also be required to register for work and to participate in other work search related activities by Internet application as directed. A claimant who fails to report to an in-person appointment at a One-Stop Career Center, who fails to register for work or participate in other work search related activities as directed during an in-person appointment at a One-Stop Career Center, or who fails to register for work or participate in other work search related activities by Internet application as directed, shall be ineligible for the week in which he or she failed to report, failed to register for work, or to participate in other work search related activities as directed, unless good cause is shown. Additionally, the claimant shall comply with assigned telephone reporting instructions.

(f)-(g) (No change.)