

 e-Alert

07.11.2023

# Significant Changes to New Jersey's Unemployment Law Takes Effect on July 31, 2023

## Background

New Jersey amended its [Unemployment Compensation Law](#) increasing employers' reporting requirements, as well as penalties for noncompliance. In addition, there are internal unemployment procedural changes aimed at speeding up how quickly an eligible individual receives benefits. These changes take effect July 31, 2023.

## Summary

At the time of separation, New Jersey employers must provide employees with a copy of [unemployment benefit instructions, Form BC-10](#); this notice must be given regardless of the reason for termination or its anticipated duration. Providing Form BC-10 is not a new requirement, rather the new law comes with two new reporting obligations and increased penalties.

### **New reporting obligations:**

1. Beginning July 31, 2023, employers must provide the New Jersey Department of Labor and Workforce Development (NJDOLE) with separation information when it

This content is provided with the understanding that Hilb Group is not rendering legal advice. While every effort is made to provide current information, the law changes regularly and laws may vary depending on the state or municipality. The material is made available for informational purposes only and is not a substitute for legal advice or your professional judgment. You should review applicable laws in your jurisdiction and consult experienced counsel for legal advice.

discharges an employee. This form has yet to be issued by the NJDOL.

2. The second change is that in addition to providing separating employees with [Form BC-10](#), employers will now be required to “immediately and simultaneously” provide the NJDOL with a copy of the form. It is anticipated that employers will be able to send this information to the NJDOL electronically.

### Penalty Increase

Another significant change to this law is the inclusion of penalties for failure to provide separation information. This penalty fine has increased. To avoid this costly consequence, it is important to ensure compliance with the new reporting requirements.

These are the significant amendments that pertain directly to employers. This new law also imposes new rules relating to the unemployment process itself. What is important for employers is that they respond and provide separation information in a timely manner after receiving notice from the NJDOL.

## Employer Next Steps

We have summarized key steps employers should take to comply with this law.

- Employers should review their separation procedures to prepare for these new reporting requirements
- Review separation documentation and ensure that all New Jersey-based employees receive [Form BC-10](#) upon separation
- This new law imposes fines and penalties for noncompliance, so it is important for employers to review their offboarding procedures
- Be on the lookout for additional information from the [Department of Labor and Workforce Development](#) (DLWD) detailing the specific benefit determination information that will be required
- If you have any questions regarding this e-Alert, please [email us](#)