

# CIRCULAR

## STATE OF NEW JERSEY

### DEPARTMENT OF THE TREASURY


NO.: 22-11-OMB	ORIGINATING AGENCY: OFFICE OF MANAGEMENT AND BUDGET	PAGE 1 OF 1
EFFECTIVE DATE: 5-4-22	EXPIRATION DATE: INDEFINITE	SUPERSEDES: 08-17-OMB
SUBJECT: RECOVERY OF UNEMPLOYMENT BENEFITS FROM BACK-PAY AWARDS		
ATTENTION: ALL DEPARTMENTS		
FOR INFORMATION CONTACT: ZACHARY BURKHALTER		PHONE: (609) 292-4756

The State of New Jersey's Unemployment Compensation Law requires that the Unemployment Fund be reimbursed for benefits paid to individuals who subsequently receive certain types of back-pay awards and are reinstated to their position. In order to recover unemployment benefits paid to State employees receiving back-pay awards, the following procedure applies only to situations where back-pay has been awarded by the Civil Service Commission in connection with the reinstatement of an employee and must be strictly adhered to:

- A. The Civil Service Commission will forward commission minutes of all cases awarded in employees' favor to the Director, Division of Unemployment, Department of Labor and Workforce Development.
- B. The Department of Labor and Workforce Development will notify the appropriate appointing authority of any employees who have received unemployment benefits during the period of the back-pay award and the total amount to be recovered.
- C. The appointing authority must prepare a payment voucher, which includes the employee's name and Social Security number for the amount to be recovered, payable to the New Jersey Division of Employment Security. The check must be forwarded to:

New Jersey Department of Labor and Workforce Development  
Bureau of Benefit Payment Control  
Attention: Investigations - Back-Pay  
PO Box 043  
Trenton, New Jersey 08625-0043

- D. When back pay has been awarded by the Civil Service Commission and is attributable to a specific timeframe and should be mitigated by unemployment, the lump sum PMIS action for the back-pay award must reflect a reduction in the total due to the employee by the amount of unemployment benefits being recovered.
- E. Back-pay awarded by a court or agreed to in a settlement, for claims brought under an employment statute, including, but not limited to, Title VII of the Civil Rights Act of 1964, the New Jersey Law Against Discrimination, or the New Jersey Conscientious Employee Protection Act are not subject to reduction in the total due to the employee by the amount of unemployment benefits received by the employee.

  
Lynn Azarchi  
Acting Director