

NEW JERSEY DEPARTMENT OF
Labor & Workforce Development
NEWS RELEASE

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For Immediate Release

Maximum Benefit Rates and Taxable Wage Base Changes

TRENTON, N.J., January 3, 2017 – The state Department of Labor and Workforce Development today announced the annual changes to the maximum benefit rates and taxable wage base that will take place in 2017 for New Jersey’s Unemployment Insurance, Temporary Disability Insurance, Family Leave Insurance and Workers’ Compensation programs.

According to laws governing these programs, the maximum benefit rates and the taxable wage base must be recalculated each year, based on the statewide average weekly wage. The benefit rates and taxable wage base for 2017 reflect the \$1,195.08 average weekly wage for 2015, which rose by 2.9 percent from \$1,161.04 in 2014.

Effective January 1, 2017, the maximum weekly benefit amount for eligible unemployment insurance claimants will increase from \$657 to \$677. The maximum weekly benefit for state plan temporary disability insurance and family leave insurance claims will increase from \$615 to \$633, while the maximum weekly benefit for workers’ compensation will rise from \$871 to \$896.

The level of wages subject to wage taxes in 2017 will increase to \$33,500 under the unemployment, temporary disability and family leave insurance programs; as well as the Workforce Development Partnership Program; and Supplemental Workforce Fund for Basic Skills; the taxable wage base in 2016 was \$32,600.

Benefit eligibility criteria for any given year are based on the state minimum hourly wage that was in effect as of October 1 the prior year. The scheduled increase in the minimum wage to \$8.44 on January 1, 2017 will not affect the benefit eligibility criteria for 2017. The amount of weekly earnings required to establish a base week in order to be eligible for unemployment, temporary disability, or family leave benefits under regular criteria will remain at \$168 in 2017. The amount of earnings required in cases in which a claimant has not worked 20 base weeks will remain at \$8,400.

The contribution rate for state and local government entities that choose to make contributions, rather than reimbursing the trust fund for unemployment insurance benefits paid to their former employees, will remain at 0.7 percent of taxable wages during calendar year 2017.

Below is a chart showing the 2016 rates and the changes taking place January 1, 2017:

MAXIMUM BENEFIT RATES AND ELIGIBILITY CRITERIA

| | 2016 | 2017 |
|--|-------------|-------------|
| Maximum Unemployment Insurance Weekly Benefit Amount | \$657 | \$677 |
| Maximum Temporary Disability Insurance and Maximum Family Leave Insurance Weekly Benefit Amount | \$615 | \$633 |
| Maximum Worker's Compensation Weekly Benefit Amount | \$871 | \$896 |
| Taxable Wage Base | \$32,600 | \$33,500 |
| Base Week Amount | \$168 | \$168 |
| Alternative Earnings Amount | \$8,400 | \$8,400 |
| Governmental Entities Contribution Rate | 0.7% | 0.7% |

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