

Employment Law Update: New Jersey Terminated Employees can be Disqualified from Unemployment Under Certain Conditions

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In New Jersey, a terminated employee can be disqualified from collecting unemployment under the following conditions:

Simple misconduct	The disqualification begins with the week the firing or suspension occurred, and continues for the next seven (7) weeks.
Severe misconduct	The disqualification is indefinite <i>until</i> the employee works in new employment four (4) weeks AND earns six (6) times their weekly benefit amount and, becomes unemployed through no fault of their own.
Gross misconduct	The disqualification may be indefinite. To remove a "gross misconduct" disqualification, the employee must return to work for at least eight (8) weeks, earn ten (10) times their weekly benefit rate, and becomes unemployed through no fault of their own.

On May 1, 2017, the New Jersey Appellate Division set aside as “arbitrary and capricious” the definition of actions that constitute simple misconduct. However, the Department of Labor has 180 days to adopt a new definition. As a result, the Appellate Division STAYED their decision during the 180 days to allow the Department of Labor to take “appropriate corrective action” or to pursue further review with the New Jersey Supreme Court.

To be continued in 180 days...

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