

New Jersey Employers Must Report Employee Separations to the New Jersey Department of Labor

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When an employee leaves a company, employers often have a lengthy checklist of administrative obligations to complete. New Jersey recently added another important requirement. Employers must now report employee separations directly to the New Jersey Department of Labor, regardless of whether the employee applies for unemployment benefits.

Understanding this reporting obligation and complying with the required deadlines can help employers avoid significant penalties and ensure compliance with New Jersey unemployment insurance laws.

New Reporting Requirement for New Jersey Employers

New Jersey employers must report an employee's separation from employment within seven days of the separation. This requirement applies regardless of the reason the employment relationship ended, including:

- Termination
- Resignation
- Layoff
- Reorganization
- Retirement

This represents a significant change from prior practice. Previously, employers generally provided separation information only after an employee filed a claim for unemployment benefits. Under the current law, employers must submit separation information even if the employee never files for unemployment benefits.

How Employers Can File a Separation Report

Employers must submit separation information through the New Jersey Department of Labor's Employer Response Portal.

To file a report, employers should:

1. Log in to the Employer Response Portal using their NJ Login credentials.
2. Select the appropriate employer account.
3. Submit the required information through the "New Separation" tab.

Employers that are not registered in New Jersey but receive a notice that a New Jersey resident has filed an unemployment claim should provide separation information after receiving the notice of claim.

For employers conducting a reduction in force or laying off multiple employees, the portal's Mass Layoff feature allows multiple separations to be reported at one time rather than requiring individual submissions for each employee.

Don't Forget Form BC-10

In addition to filing a separation report with the Department of Labor, New Jersey employers must continue providing separated employees with a completed Form BC-10.

Like the separation report requirement, Form BC-10 must be provided regardless of the reason for the employee's separation from employment.

Potential Penalties for Noncompliance

Employers that willfully fail or refuse to provide required separation information may face substantial penalties.

The law authorizes penalties of:

- \$500; or
- 25% of the unemployment benefits withheld because of the reporting delay,

whichever amount is greater.

Additionally, each day an employer remains out of compliance may be treated as a separate violation, increasing potential liability.

What New Jersey Employers Should Do Now

Employee separations already require significant documentation and administrative follow-up. Employers should update their offboarding procedures to ensure that separation information is timely submitted through the Employer Response Portal whenever an employee leaves the organization, regardless of the reason for the separation.

Reviewing separation and offboarding processes now can help employers avoid unnecessary penalties and maintain compliance with New Jersey unemployment insurance requirements.

Questions About New Jersey Employment Law?

If you are a New Jersey employer and have questions about unemployment benefits, employee separations, or other workplace legal issues, the attorneys at Wilentz can help. Call [Stephanie Gironda](#) or any member of the [Wilentz Employment Law Team](#) to discuss your situation and learn more about your legal obligations as an employer.

Attorney

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- Employment Law