



COMPLIANCE BULLETIN

HIGHLIGHTS

- New Jersey enacted a law that expands its paid family leave program.
- The new law allows employees to receive up to 12 weeks of paid family leave benefits and increases the maximum weekly benefit.
- It also requires employers with 30 or more employees to provide unpaid, job-protected family leave.

IMPORTANT DATES

June 30, 2019

Employers with 30 or more employees must provide unpaid, job-protected family leave.

July 1, 2020

Maximum benefits increase under the paid family leave program.

New Jersey Expands Family Leave Laws

OVERVIEW

On Feb. 19, 2019, Governor Phil Murphy signed a law ([NJ A3975](#)) that significantly expands New Jersey's family leave laws. The changes impact the state's [paid family leave program](#), which partially replaces the wages of employees who miss work to care for a family member or bond with a child. Key changes that take effect on July 1, 2020, include:

- ✓ Increasing the maximum number of weeks of paid family leave benefits in a 12-month period, from six weeks to 12 weeks; and
- ✓ Increasing employees' maximum weekly benefits.

In addition, New Jersey's [Family Leave Act](#) was amended, effective June 30, 2019, to require employers with 30 or more employees to provide job-protected family leave. This unpaid benefit was previously required only of employers with 50 or more employees.

ACTION STEPS

It is likely that the New Jersey Department of Labor and Workforce Development (Department) will issue new guidance on these changes. Employers should monitor the Department's [website](#) for any new guidance.

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New Jersey – Family Leave Laws

Paid Family Leave Program

New Jersey's [paid family leave program](#) partially replaces the wages of workers who need to miss work to care for a seriously ill or injured family member, or bond with a newborn or newly adopted child. The program complements the state's [temporary disability insurance program](#), which partially replaces wages during an employee's own injury, illness, or other disability, including pregnancy. The paid family leave program is administered by the Department.

The program's wage replacement benefits are funded by employees through payroll deductions. For 2019, each employee contributes 0.08 percent of the taxable wage base. For 2019, the taxable wage base is the first \$34,400 in covered wages earned during this calendar year, and the maximum yearly deduction for family leave insurance is \$27.52.

Currently, workers can collect family leave insurance benefits for a maximum of six weeks in a 12-month period. The weekly benefit for family leave insurance is based on an employee's average weekly wage. Claimants are paid two-thirds of their average weekly wage, up to a maximum set at the beginning of each calendar year. For 2019, the maximum weekly benefit is \$650.

Family Leave Act

New Jersey's [Family Leave Act](#) entitles eligible employees to unpaid, job-protected leave from work for certain family reasons. Currently, employers with 50 or more employees are subject to these leave requirements. Although employee leave under the Family Leave Act is unpaid, eligible employees may receive partial wage replacement benefits under the state's paid family leave program.

Expansion of Family Leave Laws

The new law expands New Jersey's paid family leave program. The additional costs associated with these changes are to be paid by workers through payroll deductions. Key changes include the following:

- ✓ ***Increasing the weekly benefit*** – For leave periods beginning on or after July 1, 2020, the amount of weekly paid family leave and temporary disability insurance benefits will increase from two-thirds of an employee's average weekly wage to 85 percent of that wage, subject to a maximum amount. The maximum, in turn, will rise from 53 percent to 70 percent of the statewide average weekly wage for all workers. Using data from this year, the maximum possible benefit would go up from \$650 a week to \$860.

Effective June 30, 2019, employers with 30 or more employees must provide job-protected family leave to their employees. Beginning in 2020, employees may receive up to 12 weeks of paid family leave benefits through the state's paid family leave program.

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- ✓ ***Doubling the number of weeks for paid benefits*** – Employees will be able to receive **up to 12 weeks** of paid family leave benefits in a 12-month period, effective July 1, 2020. Currently, employees are only eligible for six weeks of family leave benefits in a 12-month period. Also, workers will be able to take up to 56 days of intermittent leave within a 12-month period, up from the 42 days of intermittent leave currently required.
- ✓ ***Removing requirement to use paid leave*** – Effective immediately, employers can no longer require that employees use up to two weeks of paid leave (for example, vacation time or paid time off) before the payment of family leave benefits.
- ✓ ***Expanding individuals eligible to take paid family leave*** – Effective immediately, paid family leave is expanded to include caring for siblings, parents-in-law, grandparents, grandchildren, other blood relatives, and any other individuals who can be shown to have the equivalent of a family relationship.
- ✓ ***Including leave for domestic and sexual violence reasons*** – Effective immediately, family medical leave may be taken for medical attention, counseling, or legal assistance or proceedings arising out of domestic violence or sexual violence. Individuals can take family leave under this provision if they themselves were the victim of domestic or sexual violence, or to care for a family member who was.

In addition, New Jersey's Family Leave Act currently requires employers with 50 or more employees to provide up to 12 weeks of unpaid, job-protected leave to eligible employees for certain family reasons. The new law reduces the employer size threshold so that, effective **June 30, 2019**, employers with **30 or more employees** are subject to the Family Leave Act's requirements. In addition, effective immediately, the definition of "family member" is expanded to include caring for siblings, parents-in-law, grandparents, grandchildren, other blood relatives, and any other individuals who can be shown to have the equivalent of a family relationship.