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New Jersey Paid Family Leave is Expanded

On Tuesday, February 19, 2019, New Jersey Governor Phil Murphy signed into law an expansion of the New Jersey state paid family leave program. The expansion of the law will permit employees in the State of New Jersey to take twice as much paid leave time off from work than before if they are parents of newborns or caregivers of certain relatives with serious health conditions. The new law also expands the definition of relatives for a caregiver.

At present, a worker who is a new parent or a caregiver of a family member with a serious health condition can receive up to six weeks of paid benefits equal to two-thirds of their pay, subject to a cap of \$650 per week. Beginning on July 1, 2020, eligible employees in the State of New Jersey can receive up to twelve weeks of benefits subject to an increased cap of \$860 per week. Also, currently, employees who qualify for the paid benefits as caregivers are those who provide care to newborns or sick children, parents, spouses, domestic partners, and civil union partners. Effective immediately, the family members to whom a caregiver can provide care and qualify for benefits include siblings, grandparents, grandchildren, parents-in-law, and any other blood relative or a person who is the "equivalent" of family. In addition, an employee who is a caregiver for a family member who is a victim of domestic or sexual violence may qualify for paid leave benefits.

The paid leave time can be taken consecutively or intermittently. As of now, an eligible employee who seeks to take the paid leave on an intermittent basis can take up to 42 days in a 12-month period. The expanded law will increase the limit to 56 days of paid leave in a 12-month period.

Under the New Jersey state paid family leave program, employees fund their benefits through payroll deduction. The increase in the paid leave benefits will likely result in an increase in payroll deductions for participating employees.

Comment: Effective immediately, employers in New Jersey need to be aware of the additional family members to whom an employee may provide care for the caregiver paid leave benefits. Employers also need to prepare for the increase in the time off that their eligible employees will be entitled to starting July 1, 2020, including updating personnel policies and procedures and leave time management.

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