

CLIENT ALERT

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Important Changes to the NJ leave and Disability Programs

In February 2019, New Jersey Governor, Phil Murphy signed a bill into law that expands and enhances the NJ Disability and Leave Acts. The NJ Family Leave Act (FLA) and the NJ Security and Financial Empowerment Act (SAFE) provide job protection to employees during a period of unpaid leave. The NJ Family Leave (FLI) and New Jersey Temporary Disability Program (NJ TDB) are programs that provide income replacement for personal or family medical leave.

The changes in the amendment expands the definition of who is eligible, extends the amount of leave an employee may use and increases the percentage and maximum payout from FLI and NJTDB, coming in 2020. Below are the highlights to these changes.

New Definitions

Time may be taken to care for a child of any age. Previously the child had to be under 18 or incapable for self-care.

Expanded definition of “family member” now includes parent-in-law, sibling, grandparent, grandchild, domestic partner and any other blood relative, as well as any individual with whom the employee has a close association with — equal to a family relationship.

Changes to the Family Leave Act

- ✚ Reduces the employer threshold from 50 employees to 30 employees.
- ✚ Expanded definitions of family member and child are effective for leave requests.

- ✚ Qualified leave now includes foster care placement and when a family member is a victim of domestic or sexual violence.
- ✚ Intermittent and reduced leave is now available for bonding without an employer agreement.

Changes to NJ Family Leave Insurance and NJ TBD

- ✚ Expanded definitions of family member and child are effective for leave requests.
- ✚ Expansion for leave include victims of or family member of domestic or sexual violence.
- ✚ The seven-day waiting period is eliminated for FLI, (Waiting period still applies for NJTDB).
- ✚ As of January 1, 2020:
 - The taxable wage base maximum increases from \$33,300 to \$134,900.
 - The employee contribution percentage increases from .17% to .26%.
- ✚ As of June 17, 2020:
 - 8-12 weeks of partial disability coverage is available for employees who return to work on a part time basis.
- ✚ As of July 1, 2020:
 - leave extends from 6 weeks to 12 weeks.
 - Intermittent paid leave will increase from 42 days to 56 days in a 12-month period

EMPLOYER BEST PRACTICES:

- ✚ Update your handbooks
- ✚ Pay attention to dates and prepare for new contributions in 2020
- ✚ Educate managers/supervisors of new leave requirements
- ✚ Check NJ Department of Labor and Workforce Development site for notices and poster requirements

Disclaimer:

This notification is provided as a highlight sheet and is not meant to advise you of your entire obligations under any of these state laws/acts, nor to serve as legal advice. If you would like more complete information, please do not hesitate to contact our office, your accountant or your attorney.