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Labor and Employment Law

Paid Family Leave May Soon Be A Reality for New Jersey Employers

Although moving quietly through the legislative process, the issue of paid family leave is apparently on the forefront of the Governor's mind. Corzine has stated his intention to sign a bill providing for paid family leave from work before the end of this legislative session, or before January 7, 2008. Many members of the legislature have indicated that they will vote for it as well.

The proposed new law, Senate Bill 2249 (Sweeney/Buono) and Assembly Bill 3812 (Albano, Panter) provides up to 10 weeks every year of Temporary Disability Insurance (TDI) benefits to workers to care for a newly born or adopted child, or a sick family member. This leave is in addition to the TDI benefits that women now receive for childbirth. Employees utilizing this leave would receive two-thirds of their usual wage, a maximum of \$502 a week (2007 rate).

S-2249/A-3812 would require businesses of all sizes to provide this leave to its workers. Besides birth and adoption, this leave could be used by employees to provide care, including psychological comfort, for a sick family member with a "serious health condition." The definition of a family member's "serious health condition" includes receiving treatment from a dentist, optometrist, podiatrist, advanced practice nurse, or chiropractor. Further, employees may utilize this paid family leave on an intermittent basis throughout the year.

This leave is in addition to the TDI benefits already provided under state law for pregnancy, up to four weeks before the expected delivery date and six to eight weeks after the delivery date – a total of ten to twelve weeks of paid TDI benefits. This leave can be extended for difficult pregnancies.

Lawmakers propose to fund these leave payments through the imposition of a tax on employee wages. Funding in this form would result in the employee paying most of the associated costs.

Interested in this topic? Come join us at our annual Labor & Employment Law seminar on Friday, November 9, 2007. The Chief Lobbyist for the New Jersey State Chamber of Commerce will be present to discuss this in his legislative update. For more information regarding the seminar, contact 856-616-2692.

If you have any questions about this proposed new law, or how it may impact your business, please feel free to contact a member of Archer & Greiner's Labor and Employment Department, at 856-795-2121.

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