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EMPLOYMENT LAW

A L E R T

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PAID FAMILY LEAVE BILL SIGNED INTO LAW

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On May 2, 2008, Governor Jon S. Corzine signed into law a bill which extends the State's current temporary disability insurance program to provide up to six weeks of paid leave for employees to care for a newborn infant, newly adopted child, or seriously ill immediate family member. The program will be funded through employee payroll deductions and the benefits will be available starting July 2009. As a result, New Jersey has become the third state, behind California and Washington, to offer employees some form of paid family leave.

Under New Jersey's current family leave law, individuals who work for employers having more than 50 employees are entitled to take up to twelve weeks of unpaid leave to care for a newborn, newly adopted child or seriously ill family member. Under the new law, any employee who takes such leave would be entitled to receive two-thirds of his/her regular salary, up to a maximum of \$524.00 per week (tax free), for a period of six weeks. The program will be funded through employee payroll deductions, which are estimated to cost workers approximately \$35.00 per year. Payroll deductions will begin on January 1, 2009, and employees may begin taking leave on July 1, 2009.

The benefits of paid family leave will run concurrently, not consecutively, with the New Jersey Family Leave Act and the federal Family and Medical Leave Act. Covered employers may require employees to utilize up to two weeks of available, paid personal or vacation time prior to becoming eligible for paid family leave benefits. In addition, any period of paid family leave taken for the purpose of caring for a seriously ill family member must be supported by a certification provided by a health care provider, which states both that the family member's health condition warrants the participation of the employee in providing health care, and estimates the amount of time that the employee will be needed for the care of his/her family member.

Consistent with the existing family leave laws, an employer with 50 or more employees must hold the job of an employee who takes paid family leave. Employers with fewer than 50 employees, however, are not required to hold such jobs.

If you would like more information concerning the Paid Family Leave Bill, or have any other questions about this Employment Law Alert, please contact Karen A. Confoy at 609.989.5012 or kconfoy@sternslaw.com or Erica S. Helms at 609.989.5062 or ehelms@sternslaw.com.

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