

Employment Alert: New Jersey Passes Paid Family Leave Law

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Recently, New Jersey joined California and Washington State in providing paid family leave benefits to employees. Commencing on July 1, 2009, New Jersey will provide public and private employees (1) working at least 20 calendar weeks for their employer and earning at least \$143 per week, or (2) earning at least \$7,200 in the prior year, up to six weeks of paid family leave (or 42 days for intermittent leave for any 12-month period) to care for sick family members, including a child, spouse, domestic partner, civil union partner, or parent suffering from a serious health condition, or to care for a newborn or newly adopted child within the first year after the birth or adoption.

Employees will fund the paid leave benefits through payroll taxes beginning on January 1, 2009. Benefits under the law will be capped at two-thirds of the employee's weekly pay or a maximum of \$524, whichever is smaller. Employees must wait one week before they become eligible to receive benefits, and employers may substitute up to two weeks of accrued company-provided paid leave (e.g., paid vacation days) for paid leave benefits, which may run concurrently with any entitlement to Federal or state-mandated unpaid family or disability leave.

Once the Commission of the New Jersey Department of Labor issues its Paid Family Leave Law form notice, employers must:

- conspicuously post the notice in the workplace,
- provide a written copy of the notice to each employee within 30 days,
- provide a written copy of the notice upon the hiring of any employee,
- provide a written copy of the notice to any employee notifying the employer of a need for paid leave, and
- provide a written copy of the notice upon the first request by the employee.

Finally, the Paid Family Leave law, which applies to all employers covered under New Jersey's Unemployment Compensation Law (generally, those with one or more employees), does not grant employees the right to reinstatement following their paid leave. However, larger employers subject to the New Jersey Family Leave Act or the federal Family Medical Leave Act (generally, those with 50 or more employees) must continue to reinstate employees returning from covered leave to the extent required by those statutes.

Employers are well advised to seek the advice of employment counsel to help comply with New Jersey's new Paid Family Leave Law. If you have any questions regarding the subject covered in this Alert, or any related issue, please feel free to contact an attorney listed below or any of Mintz Levin's Employment, Labor and Benefits practice attorneys.

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