



Family Leave Insurance in New Jersey

New Jersey's Family Leave Insurance (FLI) program will expand the state's existing Temporary Disability Insurance program to provide workers with 2/3rds of their normal salary (capped at \$524 in 2008) to care for a seriously ill child/spouse/parent or to bond with a newborn or newly adopted child.

Starting January 1, 2009, a 0.09% payroll deduction will be taken on the first \$27,700 (adjusted annually for COL increase) of an employees wages. This rate will increase to 0.12% on January 1, 2010. If the 0.12% rate were applied to the \$27,700 of a worker's wage 2008 taxable wage, the maximum any NJ worker would pay is approx. \$33/yr or 64 cents per week.

Starting July 1, 2009 workers will be eligible for up to 6 weeks of FLI in any 12 month period. Workers wanting to bond with a new child can use FLI during the first 12 months after the child's birth or placement for adoption with the worker's family.

Workers of businesses of all sizes will pay into the program and be eligible to draw benefits from the FLI fund. However, no new job protections are being created for employees of businesses that are not covered by the NJ Family Leave Act or the federal Family Medical Leave Act.

In order to be eligible to draw FLI benefits, an employee must have worked at least 20 weeks and have earned \$143 or more (in 2008) in any base week. Intermittent leave is provided in increments of not less than one day.

Employers have the option of using the State-operated plan or a private plan, so long as employees are not charged more, the benefits are not lower and eligibility is not more restrictive than under the State plan.

Employer protections include:

- Workers must provide written documentation from a Doctor noting the reason for the leave (and expected length).
- Employers decide if an employee must use up to two weeks of any accrued paid sick, vacation, etc... days ("fully paid time off") before drawing FLI benefits. The amount of fully paid time off used will be subtracted 6 weeks of FLI benefits.
- If an employee is not required to use any fully paid time off, they must take one week of unpaid leave before receiving FLI
- Workers taking bonding leave are required to provide at least 30 days notice (when possible) of their intention to use FLI and workers intending to care for a sick family member must provide 15 days notice
- Penalties for workers attempting to purposely defraud the state in order to draw FLI (or TDI) benefits have been increased