ASSEMBLY, No. 5166

STATE OF NEW JERSEY

220th LEGISLATURE

INTRODUCED FEBRUARY 9, 2023

Sponsored by:

Assemblywoman ANNETTE QUIJANO
District 20 (Union)
Assemblywoman VERLINA REYNOLDS-JACKSON
District 15 (Hunterdon and Mercer)
Assemblyman CRAIG J. COUGHLIN
District 19 (Middlesex)

Assemblyman PAUL D. MORIARTY
District 4 (Camden and Gloucester)

Co-Sponsored by: Assemblyman Giblin

SYNOPSIS

Revises law concerning family leave to extend protection by reducing, over time, employee threshold from 30 employees to one employee in definition of employer.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 11/30/2023)

1 AN ACT concerning reinstatement of employees after taking family 2 leave and amending various parts of the statutory law.

3 4

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

567

8

9

1415

16

17

18

1920

21

22

23

24

25

26

27

2829

30

31

32

33

34

35

36

37

38

39

40

41

- 1. Section 3 of P.L.1989, c.261 (C.34:11B-3) is amended to read as follows:
 - 3. As used in this act:
- a. "Child" means a biological, adopted, foster child, or resource family child, stepchild, legal ward, or child of a parent, including a child who becomes the child of a parent pursuant to a valid written agreement between the parent and a gestational carrier.
 - b. "Director" means the Director of the Division on Civil Rights.
 - c. "Division" means the Division on Civil Rights in the Department of Law and Public Safety.
 - d. "Employ" means to suffer or permit to work for compensation, and includes ongoing, contractual relationships in which the employer retains substantial direct or indirect control over the employee's employment opportunities or terms and conditions of employment.
 - e. "Employee" means a person who is employed for at least 12 months by an employer, with respect to whom benefits are sought under this act, for not less than 1,000 base hours during the immediately preceding 12-month period. Any time, up to a maximum of 90 calendar days, during which a person is laid off or furloughed by an employer due to that employer curtailing operations because of a state of emergency declared after October 22, 2012, shall be regarded as time in which the person is employed for the purpose of determining eligibility for leave time under this act. In making the determination, the base hours per week during the layoff or furlough shall be deemed to be the same as the average number of hours worked per week during the rest of the 12-month period.
 - f. "Employer" means a person or corporation, partnership, individual proprietorship, joint venture, firm or company or other similar legal entity which engages the services of an employee and which:
 - (1) (Deleted by amendment, P.L.2019, c.37);
 - (2) (Deleted by amendment, P.L.2019, c.37);
- 42 (3) [With respect to the period of time from the 1,095th day 43 following the effective date of P.L.1989, c.261 (C.34:11B-1 et seq.) 44 through June 30, 2019, employs 50 or more employees for each 45 working day during each of 20 or more calendar workweeks in the 46 then current or immediately preceding calendar year; and [ODeleted]

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

- by amendment, P.L. , c. (pending before the Legislature as this
 bill);
- 3 (4) With respect to any period of time **[**on or after**]** from June 30, 2019 until the effective date of P.L., c. (pending before the Legislature as this bill), employs 30 or more employees for each working day during each of 20 or more calendar workweeks in the then current or immediately preceding calendar year;
- 8 (5) With respect to any period of time after the effective date of
 9 P.L. ,c. (pending before the Legislature as this bill), employs 20
 10 or more employees for each working day during each of 20 or more
 11 calendar workweeks in the then current or immediately preceding
 12 calendar year;

- (6) With respect to any period of time after the 365th day following the effective date of P.L. ,c. (pending before the Legislature as this bill), employs 10 or more employees for each working day during each of 20 or more calendar workweeks in the then current or immediately preceding calendar year; and
- (7) With respect to any period of time after the 730th day after the effective date of P.L. ,c. (pending before the Legislature as this bill), employs one or more employees for each working day during each of 20 or more calendar workweeks in the then current or immediately preceding calendar year.

"Employer" includes the State, any political subdivision thereof, and all public offices, agencies, boards or bodies.

- g. "Employment benefits" means all benefits and policies provided or made available to employees by an employer, and includes group life insurance, health insurance, disability insurance, sick leave, annual leave, pensions, or other similar benefits.
- h. "Parent" means a person who is the biological parent, adoptive parent, foster parent, resource family parent, step-parent, parent-in-law or legal guardian, having a "parent-child relationship" with a child as defined by law, or having sole or joint legal or physical custody, care, guardianship, or visitation with a child, or who became the parent of the child pursuant to a valid written agreement between the parent and a gestational carrier.
- i. "Family leave" means leave from employment so that the employee may provide care made necessary by reason of:
- (1) the birth of a child of the employee, including a child born pursuant to a valid written agreement between the employee and a gestational carrier;
- (2) the placement of a child into foster care with the employee or in connection with adoption of such child by the employee;
- (3) the serious health condition of a family member of the employee; or
- 45 (4) in the event of a state of emergency declared by the 46 Governor, or when indicated to be needed by the Commissioner of 47 Health or other public health authority, an epidemic of a 48 communicable disease, a known or suspected exposure to the

communicable disease, or efforts to prevent spread of a communicable disease, which:

- (a) requires in-home care or treatment of a child due to the closure of the school or place of care of the child of the employee, by order of a public official due to the epidemic or other public health emergency;
 - (b) prompts the issuance by a public health authority of a determination, including by mandatory quarantine, requiring or imposing responsive or prophylactic measures as a result of illness caused by an epidemic of a communicable disease or known or suspected exposure to the communicable disease because the presence in the community of a family member in need of care by the employee, would jeopardize the health of others; or
 - (c) results in the recommendation of a health care provider or public health authority, that a family member in need of care by the employee voluntarily undergo self-quarantine as a result of suspected exposure to a communicable disease because the presence in the community of that family member in need of care by the employee, would jeopardize the health of others.
 - j. "Family member" means a child, parent, parent-in-law, sibling, grandparent, grandchild, spouse, domestic partner, or one partner in a civil union couple, or any other individual related by blood to the employee, and any other individual that the employee shows to have a close association with the employee which is the equivalent of a family relationship.
 - k. "Reduced leave schedule" means leave scheduled for fewer than an employee's usual number of hours worked per workweek but not for fewer than an employee's usual number of hours worked per workday, unless agreed to by the employee and the employer.
 - 1. "Serious health condition" means an illness, injury, impairment, or physical or mental condition which requires:
- (1) inpatient care in a hospital, hospice, or residential medical care facility; or
- (2) continuing medical treatment or continuing supervision by a health care provider.
- m. "State of emergency" means a natural or man-made disaster or emergency for which a state of emergency has been declared by the President of the United States or the Governor, or for which a state of emergency has been declared by a municipal emergency management coordinator.
- n. "Health care provider" means a duly licensed health care provider or other health care provider deemed appropriate by the director.
- 44 (cf: P.L.2020, c.23, s.1)
- 2. Section 2 of P.L.1948, c.110 (C.43:21-26) is amended to read as follows:

2. Purpose. This act shall be liberally construed as remedial legislation enacted upon the following declarations of public policy and legislative findings of fact:

The public policy of this State, already established, is to protect employees against the suffering and hardship generally caused by involuntary unemployment. But the "unemployment compensation law" provides benefit payments to replace wage loss caused by involuntary unemployment only so long as an individual is "able to work, and is available for work," and fails to provide any protection against wage loss suffered because of inability to perform the duties of a job interrupted by nonoccupational illness, injury, or other disability of the individual or of members of the individual's family. Nor is there any other comprehensive and systematic provision for the protection of working people against loss of earnings due to a nonoccupational sickness, accident, or other disability.

The prevalence and incidence of nonoccupational sickness, accident, and other disability among employed people is greatest among the lower income groups, who either cannot or will not voluntarily provide out of their own resources against the hazard of an earnings loss caused by nonoccupational sickness, accident, or other disability. Disabling sickness or accident occurs throughout the working population at one time or another, and approximately fifteen per centum (15%) of the number of people at work may be expected to suffer disabling illness of more than one week each year.

It was found, prior to the enactment of the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et al.), that then existing voluntary plans for the payment of cash sickness benefits covered less than one-half of the number of working people of this State who were covered by the "unemployment compensation law," and that even that degree of voluntary protection afforded uneven, unequal and sometimes uncertain protection among the various voluntary benefit programs.

While the enactment of that law has provided stable protection for New Jersey's disabled workers, very few workers are protected from income losses caused by the need to take time off from work to care for family members who are incapable of self-care, including newborn and newly-adopted children. The growing portion of middle-income families in which all adult family members work, largely due to economic necessity, points to the desperate need for replacement income when a working family member must take time to care for family members who are unable to take care of themselves. Moreover, the United States is the only industrialized nation in the world which does not have a mandatory workplace-based program for such income support. It is therefore desirable and necessary to fill the gap in existing provisions for protection against the loss of earnings caused by involuntary unemployment, by extending such protection to meet the hazard of

6

earnings loss due to inability to work caused by nonoccupational sickness, accidents, or other disabilities of workers and members of their families. Developing systems that help families adapt to the competing interests of work and home not only benefits workers, but also benefits employers by reducing employee turnover and increasing worker productivity.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

3637

38

39

40

41

42

43

44

45

46

47

The foregoing facts and considerations require that there be a uniform minimum program providing in a systematic manner for the payment of reasonable benefits to replace partially such earnings loss and to meet the continuing need for benefits where an individual becomes disabled during unemployment or needs to care for family members incapable of self-care. In order to maintain consumer purchasing power, relieve the serious menace to health, morals and welfare of the people caused by insecurity and the loss of earnings, to reduce the necessity for public relief of needy persons, to increase workplace productivity and alleviate the enormous and growing stress on working families of balancing the demands of work and family needs, and in the interest of the health, welfare and security of the people of this State, such a system, enacted under the police power, is hereby established, requiring the payment of reasonable cash benefits to eligible individuals who are subject to accident or illness which is not compensable under the worker's compensation law or who need to care for family members incapable of self-care.

While the Legislature recognizes the pressing need for benefits for workers taking leave to care for family members incapable of self-care, it also finds that the need of workers for leave during their own disability continues to be especially acute, as a disabled worker has less discretion about taking time off from work than a worker caring for a family member. Notwithstanding any interpretation of law which may be construed as providing a worker with rights to take action against an employer who fails or refuses to restore the worker to employment after the worker's own disability, the Legislature does not intend that the policy established by P.L.2008, c.17 (C.43:21-39.1 et al.) of providing benefits for workers during periods of family temporary disability leave to care for family members incapable of self-care be construed as granting any worker an entitlement to be restored by the employer to employment held by the worker prior to taking family temporary disability leave or any right to take action, in tort, or for breach of an implied provision of the employment agreement, or under common law, against an employer who fails or refuses to restore the worker to employment after the family temporary disability leave, and the Legislature does not intend that the policy of providing benefits during family temporary disability leave be construed as increasing, reducing or otherwise modifying any entitlement of a worker to return to employment or right of the worker to take action under the

1 provisions of the "Family Leave Act," P.L.1989, c.261 (C.34:11B-1 2 et seq.).

3 Since the enactment of the "Temporary Disability Benefits Law," 4 P.L.1948, c.110 (C.43:21-25 et al.), the State government-operated 5 State temporary disability benefits plan, or "State plan," has proven 6 to be highly efficient and cost effective in providing temporary 7 disability benefits to New Jersey workers. The State plan 8 guarantees the availability of coverage for all employers, regardless 9 of experience, with low overhead costs and a rapid processing of 10 claims and appeals by knowledgeable, impartial public employees. 11 Consequently, the percentage of all employers using the State plan 12 increased from 64% in 1952 to 98% in 2006, while the percentage 13 of employees covered by the State plan increased from 28% to 83%.

- 14 A publicly-operated, nonprofit State plan is therefore indispensable
- 15 to achieving the goals of the "Temporary Disability Benefits Law,"
- 16 P.L.1948, c.110 (C.43:21-25 et al.).
- 17 (cf: P.L.2019, c.37, s.7)

18 19

20 21

22

23 24

25

26

27

28

29

48

- 3. Section 10 of P.L.2008, c.17 (C.43:21-39.1) is amended to read as follows:
- 10. a. Family temporary disability leave shall be compensable subject to the limitations of P.L.2008, c.17 (C.43:21-39.1 et al.) for any period of family temporary disability leave taken by a covered individual which commences after June 30, 2009.
- An individual shall not simultaneously receive disability benefits for family temporary disability leave and any other disability benefits pursuant to P.L.1948, c.110 (C.43:21-25 et al.) or any unemployment compensation, or any paid sick leave, vacation time or other leave at full pay from the employer of the individual.
- 30 The employer of an individual may, notwithstanding any 31 other provision of law, including the provisions of N.J.S.18A:30-1 32 et seq., permit the individual, during a period of family temporary 33 disability leave, to use any paid sick leave, vacation time or other 34 leave at full pay made available by the employer before the 35 individual uses disability benefits for family temporary disability 36 leave pursuant to P.L.2008, c.17 (C.43:21-39.1 et al.). Nothing in 37 P.L.2008, c.17 (C.43:21-39.1 et al.) shall be construed as nullifying 38 any provision of an existing collective bargaining agreement or 39 employer policy, or preventing any new provision of a collective 40 bargaining agreement or employer policy, which provides 41 employees more generous leave or gives employees greater rights to 42 select which kind of leave is used or select the order in which the 43 different kinds of leave are used. Nothing in P.L.2008, c.17 44 (C.43:21-39.1 et al.) shall be construed as preventing an employer 45 from providing more generous benefits than are provided under P.L.2008, c.17 (C.43:21-39.1 et al.) or providing benefits which 46 47 supplement the benefits provided under P.L.2008, c.17 (C.43:21-

39.1 et al.) for some or all of the employer's employees.

1 d. An individual who is entitled to leave under the provisions 2 of the "Family Leave Act," P.L.1989, c.261 (C.34:11B-1 et seq.) or 3 the federal "Family and Medical Leave Act of 1993," Pub.L.103-3 4 (29 U.S.C. s.2601 et seq.), shall take any benefits provided for 5 family temporary disability leave pursuant to P.L.2008, c.17 6 (C.43:21-39.1 et al.) concurrently with leave taken pursuant to the 7 "Family Leave Act," P.L.1989, c.261 (C.34:11B-1 et seq.) or the 8 federal "Family and Medical Leave Act of 1993," Pub.L.103-3 (29 9 U.S.C. s.2601 et seq.). [Nothing in P.L.2008, c.17 (C.43:21-39.1 et 10 al.) shall be construed to grant an employee any entitlement to be 11 restored by the employer to employment held by the employee prior 12 to taking family temporary disability leave or any right to take 13 action against an employer who refuses to restore the employee to 14 employment after the leave. Nothing in P.L.2008, c.17 (C.43:21-15 39.1 et al.) shall be construed to increase, reduce or otherwise 16 modify any entitlement of an employee to return to employment or 17 right of the employee to take action under the provisions of the 18 "Family Leave Act," P.L.1989, c.261 (C.34:11B-1 et seq.). If an 19 employee receives benefits for family temporary disability leave 20 pursuant to P.L.2008, c.17 (C.43:21-39.1 et al.) with respect to 21 employment with an employer who is not an employer as defined in the "Family Leave Act," P.L.1989, c.261 (C.34:11B-1 et seq.) and 22 23 that employer fails or refuses to restore the employee to 24 employment after the period of family temporary disability leave, 25 that failure or refusal shall not be a wrongful discharge in violation 26 of a clear mandate of public policy, and the employee shall not have 27 a cause of action against that employer, in tort, or for breach of an 28 implied provision of the employment agreement, or under common 29 law, for that failure or refusal.

e. An employee taking family temporary disability leave or an employer from whom the employee is taking the leave shall have the same right to appeal a determination of a benefit for the family temporary disability leave made under P.L.2008, c.17 (C.43:21-39.1 et al.) as an employee or employer has to appeal a determination of a benefit for the disability of the employee under the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et al.), and any regulations adopted pursuant to the "Temporary Disability Benefits Law," P.L.1948, c.110 (C.43:21-25 et al.).

30

31

32

33

34

35

36

37

38

39

40

41

42

43

44

45

46

47

f. In the event of a period of family temporary disability leave of any individual covered under the State plan, the employer shall, not later than the ninth day of the period of family temporary disability leave, or not later than the ninth day after the employee notifies the employer of an anticipated period of family temporary disability leave pursuant to subsection h. of this section, whichever comes first, including any time in which the employer provides sick leave, vacation or other fully paid leave, issue to the individual and to the division printed notices on division forms containing the

9

1 name, address and Social Security number of the individual, such 2 wage information as the division may require to determine the 3 individual's eligibility for benefits, including any sick pay, vacation 4 or other fully paid time off provided by the employer during the 5 period of family temporary disability leave, and the name, address, 6 and division identity number of the employer. Not later than 30 7 days after the commencement of the period of family temporary 8 disability leave for which the notice is furnished by the employer, 9 the individual shall furnish to the division a notice and claim for 10 family temporary disability leave benefits. Upon the submission of 11 the notices by the employer and the individual, and the 12 commencement of the compensable portion of the family temporary 13 disability leave pursuant to P.L.2008, c.17 (C.43:21-39.1 et al.), the 14 division may issue benefit payments. In the case of family 15 temporary disability leave taken to care for a family member with a 16 serious health condition, the benefits may be paid for periods not 17 exceeding three weeks pending the receipt of the certification 18 required pursuant to subsection b. of section 11 of P.L.2008, c.17 19 (C.43:21-39.2). Failure to furnish notice and certification in the 20 manner above provided shall not invalidate or reduce any claim if it 21 shall be shown to the satisfaction of the division not to have been 22 reasonably possible to furnish the notice and certification and that 23 the notice and certification was furnished as soon as reasonably 24 possible. 25

g. Each covered employer shall conspicuously post notification, in a place or places accessible to all employees in each of the employer's workplaces, in a form issued by regulation promulgated by the commissioner, of each covered employee's rights regarding benefits payable pursuant to this section. The employer shall also provide each employee of the employer with a written copy of the notification: (1) not later than 30 days after the form of the notification is issued by regulation; (2) at the time of the employee's hiring, if the employee is hired after the issuance; (3) whenever the employee notifies the employer that the employee is taking time off for circumstances under which the employee is eligible for benefits pursuant to this section; and (4) at any time, upon the first request of the employee.

26

27

28

29

30

31

32

33

34

35

36

37

38

39

40

41

42

43

44

45

46

47

48

h. With respect to any period of family temporary disability leave commencing on or after October 4, 2019 if an individual knows in advance when the period will commence, the individual may notify the employer of the anticipated period of family temporary disability leave and submit to the division a claim for benefits for that period, which shall include a statement of when the period will commence and any certification required pursuant to subsection b. of section 11 of P.L.2008, c.17 (C.43:21-39.2), prior to, but not more than 60 days prior to, the date that the period will commence. The division shall process that claim immediately and, upon finding that the claim is valid, shall pay the benefit upon the

1 commencement of the period of family temporary disability leave, 2 except that if the division receives the claim less than 30 days 3 before the commencement of the period, the division shall make the 4 payment not more than 30 days after the receipt of the claim. The 5 periods of family temporary disability leave to which the provisions of this subsection apply shall include, but not be limited to, any of 6 7 the following if the commencement date of the leave is known in 8 advance: periods of leave for care of a child of the individual after 9 adoption, the placement of a child into foster care, or childbirth, 10 including childbirth under a valid agreement between the individual 11 and a gestational carrier; periods of leave for scheduled medical 12 procedures, treatments, or appointments for a family member of the individual; and periods of leave for scheduled ongoing care of a 13 14 family member of the individual. If the individual did not establish enough base weeks or have enough total earnings during the base 15 16 year preceding the week the individual submits the claim, the 17 division shall notify the individual that the individual may file the 18 claim again upon or after the commencement of the period of 19 family temporary disability leave and the division shall then 20 reconsider the individual's eligibility for benefits based on the base 21 year preceding the week in which the period of family temporary 22 disability leave commences.

232425

26

46

47

(cf: P.L.2019, c.37, s.13)

4. Section 24 of P.L.2019, c.37 (C.43:21-55.2) is amended to read as follows:

27 24. a. An employer shall not discharge, harass, threaten, or 28 otherwise discriminate or retaliate against an employee with respect 29 to the compensation, terms, conditions, or privileges of employment on the basis that the employee requested or took any temporary 30 31 disability benefits pursuant to P.L.1948, c.110 (C.43:21-25 et al.), 32 or family temporary disability leave benefits pursuant to P.L.2008, 33 c.17 (C.43:21-39.1 et al.), including retaliation by refusing to 34 [restore] reinstate the employee to employment following a period 35 of leave [, except that, pursuant to section 2 of P.L.1948, c.110 36 (C.43:21-26), nothing in this section or any other section of 37 P.L.1948, c.110 (C.43:21-25 et al.) or P.L.2008, c.17 (C.43:21-39.1 38 et al.) shall be construed as increasing, reducing or otherwise 39 modifying any entitlement provided to a worker by the provisions 40 of the "Family Leave Act," P.L.1989, c.261 (C.34:11B-1 et seq.) to 41 be restored to employment by the employer after a period of family 42 temporary disability leave in the position held when the leave 43 commenced or an equivalent position of like seniority, status, 44 employment benefits, pay and other terms and conditions of 45 employment.

b. Upon a violation of subsection a. of this section, an employee or former employee may, as an alternative to any action

- that the employee is permitted to take for the violation pursuant to
 the provisions of P.L.1948, c.110 (C.43:21-25 et al.), P.L.2008, c.17
 (C.43:21-39.1 et al.), or the "Family Leave Act," P.L.1989, c.261
 (C.34:11B-1 et seq.), institute a civil action in the Superior Court for relief[. All] in which all remedies available in common law tort actions shall be available to a prevailing plaintiff. The court may also order any or all of the following relief:
 - (1) an assessment of a civil fine of not less than \$1,000 and not more than \$2,000 for the first violation of any of the provisions of this section and not more than \$5,000 for each subsequent violation;
 - (2) an injunction to restrain the continued violation of any of the provisions of this section;
 - (3) reinstatement of the employee to the same position or to a position equivalent to that which the employee held prior to unlawful discharge or retaliatory action;
 - (4) reinstatement of full fringe benefits and seniority rights;
 - (5) compensation for any lost wages, benefits and other remuneration; and
 - (6) payment of reasonable costs and attorney's fees. (cf: P.L.2019, c.37, s.24)

5. This act shall take effect immediately.

STATEMENT

This bill extends to employees of employers with less than 30 employees the right to be reinstated to employment after taking paid or unpaid family leave, thus ensuring that all workers who pay for family temporary disability leave insurance (FLI) will be able to able to return to work after taking FLI benefits. The extension is phased in, with the threshold reduced to 20 employees upon the effective date of the bill, 10 employees one year later, and the threshold is eliminated two years after the effective date, so that no employee will then be excluded from reinstatement rights because of the number of employees of the employee's employer.

Once the phase out is complete, the bill extends to employees, no matter how few employees their employer has, the current provision that provides that an employee who takes FLI benefits to care for a family member may not be retaliated against by their employer refusing to reinstate them after the leave. Currently, an employer who employs less than 30 workers, and is thus exempt from the reinstatement requirements of the Family Leave Act (FLA), is also exempt from the reinstatement requirements of that provision. By removing this exemption, the bill extends that provision's reinstatement rights to recipients of FLI benefits even if their employers have less than 30 employees, in the same way that provision currently provides that reinstatement protection for

12

- temporary disability insurance recipients no matter how few employees the employer has.
- Once fully phased in, the bill also amends the FLA to make
- 4 employers, regardless of how few employees they have, subject to
- 5 that law's requirement to reinstate leave takers, thereby extending
- 6 that right of reinstatement to employees of employers with less than
- 7 30 employees, whether or not the employees receive FLI benefits.