



legislativeUPDATE

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NJ Paid Sick Leave Law Enacted

New Jersey has adopted, effective October 29, 2018, a [Paid Sick Leave Act](#) that requires employers with employees in NJ to provide one hour of paid sick leave for every 30 hours worked. This new law preempts New Jersey's thirteen local paid sick leave ordinances which will be void once the new law takes effect. For employers that have been subject to one or more local New Jersey ordinances, the new law will eliminate the varying requirements that have existed for years.

All Private Businesses Covered. Under the law all private businesses, regardless of company size, that employ individuals in NJ are covered. There is no minimum number of hours an employee must work to be eligible for leave. Employers can set a 120 day waiting period before employees may use the leave after the employee starts, and employers have the option to start eligibility earlier.

Most Private Employees Covered. The law covers most private employees who work in New Jersey, excluding per diem healthcare workers, and construction workers covered by a collective bargaining agreement (CBA). For non-construction worker employees covered by a CBA on October 29, 2018, the law will apply once the CBA expires, except that employees and their representatives may waive the rights available under the law and address paid leave in CBA negotiations.

Covered Leave. Leave can be used for an employee's own qualifying need or for that of a family member, which is defined to include children, grandchildren, siblings, spouses, domestic partners, civil union partners, parents, and grandparents. Family member also includes any individual "whose close association with the employee is the equivalent of a family relationship." Leave may be used for, among other things:

- the diagnosis, treatment, recovery, or preventative care of a mental or physical illness(s);
- to seek counseling, relocation, legal services, and/or medical attention for an employee or family member that is a victim of domestic or sexual violence; and/or
- to attend a school conference, meeting, or other child-education related event.

Leave Accrual. Leave begins to accrue on the later of the employment date or the law's effective date (October 29, 2018) at a rate of one hour for every 30 hours worked. Employers are not required to allow employees to accrue more than 40 leave hours in a benefit year (a consecutive 12-month period determined by the employer). Alternatively, employers can provide employees with 40 leave hours on the first day of the benefit year. In some instances, advance written notice

to the employer of the employee's intention to take paid leave may be required, and for absences of three or more consecutive days, employers may require documentation from the appropriate care giver/professional. Leave must be paid at the same rate of pay, and with the same benefits, as an employee normally earns, which cannot be less than the state minimum wage.

Notice and recordkeeping. Employers must display a (to be created) poster informing employees of their rights under the law, and provide individual notice to all employees within 30 days of the notice being issued by the New Jersey Department of Labor and Workforce Development and to all new employees at the time of hiring. Employers must maintain records pertaining to hours worked and leave taken for a period of five years.

Local Paid Sick Leave Ordinances Eliminated. At present, no federal law exists requiring employers to offer paid sick time, although paid sick leave laws have been [enacted](#) in multiple states and many cities (including in New Jersey, Pennsylvania and New York). For public sector employees in New Jersey, state law requires that they receive 15 days paid sick leave each year and even allows public employees to accumulate sick leave from year to year, with no limitations. However, because there was historically no state action regarding private sector employees, many New Jersey local paid sick leave ordinances have been adopted in recent years, but these ordinances will be void as of October 29, 2018.

Next Steps. We recommend that multi-state employers and employers with employees in New Jersey work with HR, payroll, and third-party leave vendors to determine what steps are needed to comply. Employers should also watch for additional guidance from New Jersey and keep in close contact with labor counsel as the implementation date approaches.

Conner Strong & Buckelew is not a qualified wage and labor advisor and does not assist with general federal leave or state paid sick leave policy design or administration. Clients should continue to consult with qualified wage and labor advisors, human resources professionals, or their counsel for instructional guidance on leave policy design and assistance with general and complicated leave administration issues. Please contact your Conner Strong & Buckelew account representative toll free at 1-877-861-3220 with any questions. For a complete list of Legislative Updates issued by Conner Strong & Buckelew, visit our online [Resource Center](#).



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