



## New Jersey Rolls Out Its Paid Sick Leave Law

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New Jersey becomes the 10th state to pass legislation requiring employers to provide some form of sick leave to their employees. On May 2nd, New Jersey Governor Phil Murphy signed into law the Paid Sick Leave Act. The law becomes effective on October 29th, 2018 and applies to most employers requiring that employers provide up to 40 hours of paid sick leave per year.

**Covered Employers:** The law applies to all statewide employers of any size that has employees in the state of New Jersey.

**Covered Employees:** All part-time and full-time employees working for compensation in the state are covered by this law with a few exceptions: per diem healthcare employees, employees in the construction industry covered under a collective bargaining agreement and public employees who already are provided sick leave benefits.

**Waiting Period:** Employees begin accruing paid sick leave from the first day of employment but are not eligible to use paid sick leave for the first 120 days of employment. Employers are authorized to provide paid sick leave earlier than 120 days if they choose to do so.

**Accrual of Paid Sick Leave:** If an employer already has a paid time off policy such as personal days, vacation days and sick days that provides sufficient time off to comply with the law, they are not required to provide additional sick days as long as the existing paid time off is used in a manner that is consistent with the paid sick leave law.

Employers that do not already provide existing paid time off that complies with the law must subscribe to the minimum accrual method or use an accrual method that is more favorable to the employee. The minimum accrual method begins to accrue the later of when the law becomes effective or when the employee starts to work, at a rate of one hour for every 30 hours worked. An employer is not required to allow employees to accrue more than 40 hours of in a benefit year (a consecutive 12-month period which is determined by the employer). Employers can allot the full amount of paid sick leave on the first day of the benefit year.

**Use of Paid Sick Leave:** Paid sick leave can be used for the following reasons:

- To care for, treatment of, recovery from or preventative treatment of an employee's own mental or physical illness.
- To care for a covered family member during the care of, treatment of, recovery or preventive treatment of a family member's mental or physical illness.
- Absences due to work-related or domestic sexual violence against the employee or their family member.
- Absences due to a closure of the employee's workplace or of a child's school/childcare because of a public official's order relating to a public health emergency.
- Absences needed to attend a child-related meeting or conference requested or required by school staff.

Please note that a family member broadly includes individuals related by blood to the employee or whose close association with the employee is the equivalent of a family relationship.

**Employee Notice and Documentation Requirements:** When a qualifying leave is foreseeable, employers may require employees to provide seven days' notice or as soon as is practicable. For absences that are three or more consecutive days, the employer may require documentation from the healthcare provider or appropriate professional.

**Employer Notice, Posting and Record Keeping Requirements:** Employers must provide written notice to employees of their rights under the Paid Sick Leave Act. This includes posting the state-created notice in the workplace no longer than 30 days after the model notice is issued, at the time an employee is hired and upon request by an employee.

Employers must maintain records of the hours worked and leave taken by employees for five years.

*Please consult with an attorney that specializes in employment law should you need additional clarification on the New Jersey Paid Sick Leave Act.*

*Please be aware that this does not represent legal or tax advice and is only Frenkel's interpretation of the laws, regulations and statutes. It is highly recommended that you seek the advice of your legal and tax professional as to the applicability of this information to your particular situation.*