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## N.J. paid family leave law excludes millions because of gaping loophole, report says

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New Jersey's <u>paid family leave program</u> — which allows people to take time off to care for a sick relative or a new baby while collecting 85% of their earnings — all but excludes more than 1.7 million hourly workers because the law does not prevent employers from firing them, <u>a new Rutgers University study found.</u>

In order to participate in the paid family leave program and be guaranteed a job upon their return, workers must have worked at the same employer for a year and logged at least 1,000 hours. These requirements created a gaping loophole that excludes younger, hourly employees who are typically women, in healthcare, food preparation and education fields, according to the Center for Women and Work at the Rutgers School of Management and Labor Relations.

Lawmakers need to loosen these requirements so people are not forced to choose between losing a job and being available at their family's greatest time of needs

"Workers who are the most vulnerable are the least likely to be

protected," Rebecca Logue-Conroy, a research analyst at the center, told reporters at a press conference Wednesday.

The state Assembly voted in February on a bill (<u>A3451</u>) that would <u>expand New Jersey's paid family leave program</u> by mandating companies with five workers offer job-protected paid family leave, instead of the existing law's minimum of 30 employees. A group of pro-labor and workers' rights organizations that joined Rutgers in releasing the report said they support this measure, but argued it does not offer wider job protections.

They said the bill should also reduce the 12-month required work period to receive job protection to three months.

Ediza Lahoz Valentino, a mother and social worker from Monroe in Middlesex County, said she had to return to work six weeks after her daughter was born because she had started a new job five months earlier. She didn't want to risk losing her job, she said.

With her newborn refusing to eat from a bottle, Lahoz Valentino said she used her lunch breaks to breast feed, which caused a great deal of stress.

"The lack of appropriate and reasonable paid time off was a major factor that contributed to my experiencing postpartum depression," Lahoz Valentino said.

The New Jersey Business and Industry Association testified against the bill in February, arguing the purpose of the Paid Family Leave Law when it was signed into law in 2008 was "to provide for income substitution... not guarantee job reinstatement."

"Small businesses-- many of which are not financially equipped to bear increased employee absenteeism – will likely experience higher labor costs occasioned by retaining and training employees to substitute for absent employees," Elissa Frank, the association's vice president for government affairs testified at the time "This will make New Jersey unattractive for new businesses and impose further hardship on those already here."

The New Jersey Chamber of Commerce also said it continues to oppose family leave expansions.

"This will be a significant burden for our small business community, who already have the on-going challenge of finding employees for their operations, especially since post-pandemic," said Michael Egenton, the chamber's vice president.

"Additionally, most small businesses are not financially equipped to deal with the increased costs that are associated with hiring and training a temporary worker that will likely be asked to leave once the employee returns," he added.

Employers do not pay for the program, which works like an insurance fund. Workers pay into the fund with money deducted from their paycheck, which is then used to pay for workers who take leave in a given year.

The 15-year-old program, which Gov. <u>Phil Murphy</u> expanded in 2019, <u>gives workers</u> 12 weeks off at 85% of their pay up to \$859. The revised program also added siblings, grandparents, grandchildren and parents-in-law to the original list of caregivers, which was children, parents, spouses, domestic partners, and civil union partners.

The bill awaits action in the state Senate, where its chances are dubious. Senate President <u>Nick Scutari</u>, D-Union, <u>has not allowed</u> <u>the measure to be debated in a committee.</u>

"I think small businesses have a lot to be concerned about with the version of the bill that I saw," he told reporters last year.

NJ Citizen Action's Work Justice Program Director Yarrow Willman-Cole the problems with the program have gone on long enough.

"We can't wait to get this right, it has been 15 years since New Jersey implemented paid family leave," Willman-Cole said. "it's time we make our programs and laws make sense so that more workers can access their benefit and take the time they need without risking their job."

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