



NJ TDI and Family Leave Update Affects all employers with 30 or More Employees in New Jersey

ON 2/19/19 Governor Murphy signed S-2528 into law the changes for TDB and FLI .

The legislation makes the following important changes, among others, that help to ensure that more workers in New Jersey can access paid family leave and temporary disability so they can afford to take time off when needed:

- Increases the weekly wage replacement provided to beneficiaries of both programs to 85% of a worker's average weekly wage, and capped at 70% of the state's average weekly wage (making the cap \$859/week for 2019).
- Increases the 2019 Taxable Wage Base maximum under UI, TDI and FLI from the current \$34,400 to \$131,450 - This will happen January 1, 2020. The rates and who is charged(employer or employee) will be decided by the commissioner in September 2019. This may cause all customers in New Jersey to pay a higher cost based on their employer portion charged by NJ State. It does not affect the unemployment Taxable wage base.
- The minimum wage increase in July 2018 and January 1, 2019 will increase the taxable wage base for all employees affected by minimum wage and other employees looking for higher wages based on the minimum going up. Again costing employers more on their portion of the employer cost.
- The increase in benefits from 66 2/3% to \$650 up to 85% to \$859/week will cause an increase in the employer cost- not sure how much at this point.
- Expands paid time available from 6 to 12 weeks under the FLI program.
- Expands the definition of a family for which a person can use the FLI program to care for a seriously ill loved one. The expansion would cover grandparents and grandkids, siblings, adult children, parents-in-law, and chosen family.
- Provides benefits for survivors of domestic violence or sexual assault and for caring for family members who are dealing with issues of domestic or sexual assault.
- Increases public awareness by requiring additional funding for outreach and education (\$1.2 million annually), improves program efficiency by requiring shorter claims processing times, and requires the Department of Labor and Workforce Development (DOLWD) provide relevant additional reporting of program data.
- Protects workers so that employers may not retaliate against those who request TDI or FLI benefits. Employers who fail to provide the DOLWD with necessary information to process a claim (as required under law), causing a delay in benefits, may be required by the DOLWD to pay an added amount equal to the amount of delayed benefits.

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- Expands job protection for an estimated 200,000 workers employed at companies with 30 to 50 workers while taking FLI leave under the state law, the Family Leave Act (FLA). Under the FLA currently, only workers at companies with 50 or more employees (with other additional qualifications) enjoy job protection when using the FLI program.

If you have any questions or concerns, Please call our office at 732-842-6200 and speak to myself or Gordon Frederick, Our EVP.

David Koch, CEO

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