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## CLIENT ALERT

### WHEN DOES THE NEW PAID FAMILY LEAVE LAW TAKE EFFECT?

One of the many questions surrounding the recently expanded paid family leave program is when will the changes take effect.

While the law technically takes effect immediately, which would mean February 19, 2019, the day Governor Phil Murphy signed the bill, different provisions will actually take effect at different times.

The law actually amends the New Jersey Family Leave Act (FLA), the New Jersey SAFE Act, Temporary Disability Benefits and New Jersey Paid Leave Insurance (PLI) benefits.

Changes that take effect immediately include:

- Expanded definition of family member: The definition is expanded to mirror the Sick Leave Law, which means grandparents, grandchildren, siblings, other blood relations and even non-related individuals whose relationship is like that of a family member.
- Reduced-Schedule Leave: Someone taking reduced schedule leave under FLA can now receive benefits for up to 12 consecutive months instead of 24 weeks.
- Those who take FLA to bond with a newborn will be able to take leave intermittently; it is no longer only available if the employer agrees.
- Employees taking paid family leave cannot be forced to use paid time off. They can elect to use existing paid time off, but their total FLI insurance benefits available will not be reduced by the use of paid time off.

Changes that go into effect on July 1, 2019:

- The new law now applies to employers with 30 or more employees. Under the current law, FLA only applies to employers with 50 or more employees.
- No more waiting period for family leaves starting on or after July 1, 2019.

Provisions that go into effect on July 1, 2020 are:

- Increase in paid family leave benefits from six weeks to twelve weeks.
- Ability to take 56 days of intermittent leave instead of 42 days; and
- Maximum benefits increasing to 85 percent of individual's average weekly wage up to the applicable cap.

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**Disclaimer:** *This e-mail represents a general overview of tax developments and should not be relied upon without an independent, professional analysis of how any of these provisions may apply to a specific situation.*