

## **Trenton's Reunion With Family Leave**

Legislature will revisit controversial bill on paid timeoff

### **The Star-Ledger** — Sunday, January 27, 2008

# BY BETH FITZGERALD Star-Ledger Staff

Lawmakers will put the shelved paid family leave bill back on the table tomorrow, when a Trenton hearing considers whether to expand New Jersey's temporary disability insurance program to pay six weeks of publicly funded wages to workers who take time off from their jobs to care for families.

Lining up against the idea are several of the state's major business groups, including the state Chamber of Commerce, the New Jersey Business and Industry Association, and the New Jersey Association of Women Business Owners. But the Employers' Association of New Jersey doesn't think the law would be disruptive to businesses.

State Sen. Stephen Sweeney (D-Gloucester) holds a hearing at 1 p.m. tomorrow in Trenton on his bill, S786, which provides six weeks of paid family care. Employers won't have to pay their workers while they're out on family-care leave; the wages will come from increased worker contributions to the state's disability insurance fund.

The bill is a scaled-down version of last year's 10-week paid leave proposal, which never came up for a vote. Sweeney is aiming for a March vote by the full Legislature.

Sweeney's 14-year-old daughter Laura spent 75 days in the hospital after her birth. "Either my wife or I were there with her, 24/7," he said. "When I was at my job, I wasn't really at my job, because I was thinking about my daughter. How can you tell someone not to care for their family?"

Senate President Richard Codey (D-Essex) predicted the bill will pass.

"I don't feel the business community's fears will be realized," Codey said, based on California's more than 3-years experience with paid family leave.

Gov. Jon Corzine, who supports the bill, and says his near-fatal car crash last April drove home the importance of this issue.

"The personal experience reinforces at a basic level how important it is to have family with you, caring for you, at a real time of personal challenge," Corzine said last month in response to a question. "In my case, I wasn't even conscious. People have very little choice but to take on those responsibilities. And I think it is very harsh to expect that people will be able to do that and sustain themselves financially. This is real. People don't have a choice when something transpires in their family, and I think this is a very limited safety net."

Assemblywoman Mary Pat Angelini (R-Monmouth) is among those who oppose paid family leave.

Angelini runs a nonprofit with 22 employees. "This would be devastating to small businesses, including small nonprofits," she said. "Of course, workers have family needs, and employers should be fair, and have an open door for workers who need time off. But this law takes the discretion away from the employer."

#### **PROS AND CONS**

Kelly Conklin owns Foley-Wait Associates, an architectural woodworking business in Bloomfield with 10 employees. If a worker leaves to care for an ill family member, Conklin might not have a job waiting for him when he's ready to return – and that's exactly why Conklin supports Sweeney's bill.

"This is a way for a small business to provide a benefit that is reserved almost exclusively to large corporations," he said. "If workers need time off to care for their families, at least they will get some pay."

Right now, the state's temporary disability insurance program provides up to 26 weeks of partial wages to workers who are themselves sidelined by a disability or illness that isn't job-related. The cur rent wage cap is two-thirds of weekly wages, up to a maximum of \$524 a week. Sweeney's bill provides the same level of wage replacement for family-care leaves, which are limited to six weeks.

Payroll deductions from the paychecks of New Jersey's 4 million-plus workers, and contributions from employers, currently fund the program, which in 2006 paid out \$442million for about 120,000 disability claims. It's esti mated that extending the program to family care will generate an extra 38,000 claims per year.

New Jersey and the nation already have family leave laws that require employers with 50 or more workers to provide 12 weeks of un paid family leave, and these employers must take the worker back at the same or comparable job. Employers with fewer than 50 workers are exempt from providing unpaid family leave, and they won't have to rehire workers who take disability leave to care for their families. (New Jersey workers who use the state's disability program when they become ill or disabled can't be fired for taking a disability leave.)

Joan Verplanck, president of the state Chamber, said there's concern that more workers will take advantage of family leave if they can also receive six weeks of partial wages. The employer can hire a temporary worker to fill in, but that simply isn't feasible in many cases, she said.

Verplanck said she has a key employee on her state chamber staff who is out on medical disability. "In a tight labor market, how do you find the right person who is available for a short period of time?" she asked. "I have a great staff, so everyone else is just picking up the extra work."

She said the law would make New Jersey's business climate less competitive. "To make ourselves different from other states in our region, at a time when we may be heading into a recession, seems a tad foolhardy."

#### **WOMEN'S ISSUE?**

California blazed this trail in 2004 with a law providing six weeks of temporary disability wages to workers who leave to care for family members. About 90 percent of the claims are for bonding with a new child and 10 percent for caregiving to other family members, according to a 2007 study of the program by the California State Senate.

The state of Washington's paid family leave law takes effect in 2009, and covers only childbirth and adoption with five weeks of paid leave, capped at \$250 a week.

Women account for 80 percent of California's paid family leave claims. In New Jersey, the majority of current disability claims – 69 percent – are filed by women, with pregnancy leaves accounting for nearly a quarter of the claims, according to the state Department of Labor and Workforce Development.

If women are the heaviest users of disability leave, is this a women's issue?

Rosemarie Strawn, president of the New Jersey Association of Women Business Owners, whose company Positive Actions provides worker training, doesn't see it that way.

"We are about women business ownership; our focus is on business growth and development to empower women," she said. "This law will put an undue burden on all small-business owners." Productivity plummets when a key employee is absent from a small business — and finding and training a replacement is often impossible, Strawn said.

#### PAID FAMILY LEAVE BILL

The bill extends the state's temporary disability insurance program to cover workers taking time off to care for sick family members or newborn and newly adopted children.

• It provides six weeks of replacement wages, equal to two-thirds of the worker's weekly pay, up to a maximum of \$524 a week. These wages won't be paid by the employer; they will come from

- the additional contribution of up to 63 cents a week workers will pay into the state disability insurance fund via payroll deductions.
- Workers can use the benefit to care for a newborn or newly adopted child or a sick or disabled child, spouse, domestic partner, civil union partner or parent.
- Employers can require workers to use vacation, sick or other fully paid time for the first two weeks of the leave.
- Employers with fewer than 50 workers are not required to take the worker back after the leave ends.
- Employers with more than 50 workers are already required to protect the worker's job under the state's existing family leave law, which provides 12 weeks of unpaid leave.

SOURCE: New Jersey Department of Labor and Workforce Development; state Office of Legislative Services.

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