

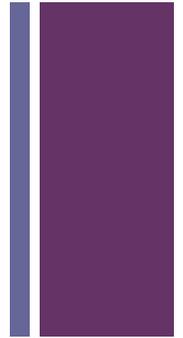
NJ's Paid Sick Leave Law October 2018

Ritu Pancholy
Founder
Culturupt

****Although Ritu Pancholy is an attorney, the advice contained herein is not legal advice. All business owners should consult with an attorney for legal advice.**

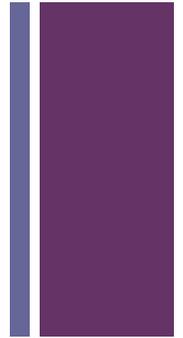
+ Who does it cover?

- All private sector employers with employees in New Jersey are covered (with few exceptions for health care workers and construction employees).
- **There is no small business exception. Part-time and full-time employees, including non-exempt employees are covered. Temporary workers are also covered by this law.**



+ What can the employee use paid sick time for?

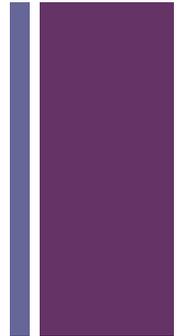
- *Employee's own sickness*
 - Diagnosis, care, or treatment of, or recovery from, an employee's own mental or physical illness or injury, including preventive care.
- *Family Member's Sickness*
- *Domestic or sexual violence incidents*
- *School needs, parent teacher conferences.*
- *School and work closures due to inclement weather.*



+ **How much paid sick leave will employees receive?**

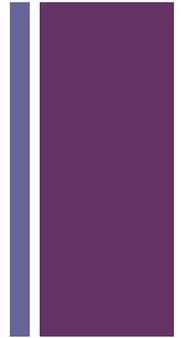
- Employers must provide each employee up to 40 hours of paid sick leave each benefit year.
- Employers must determine their benefit year (i.e. Jan –Dec)
- Two methods of structuring this paid sick leave:
 - Accrual Method → Employees must earn 1 hour of paid sick leave for every 30 hours worked beginning on the first day of your benefit year, up to a max of 40 hours a year.
 - Front Load Method → Under the front-load method, employers simply grant the full 40 hours of sick leave on the first day of the benefit year. Simpler book keeping but employees can use their sick time immediately.

**New employees post Oct 29, 2018 subject to 120 day waiting period before using sick time.

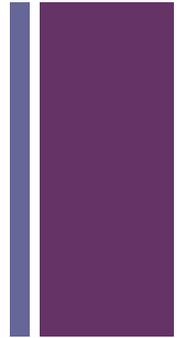


+ How much advance notice is required in order to take sick leave?

- If the need is **foreseeable**, employers can require that employees provide up to seven calendar days' advance notice of the intent to use sick leave and its expected duration.
- When an employee's need to use leave is **not foreseeable**, employers may require that employees provide notice "as soon as practicable" of the intent to use sick leave and its expected duration, **but only** if the employer has notified the employee of this requirement in advance (such as in a written policy).
- Can require documentation depending on the type of leave, must include this in your policy.



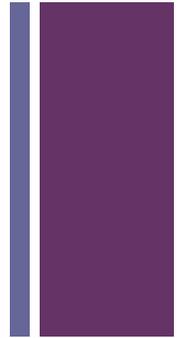
+ **How to handle absences and work flow?**



- Employees are required to make a reasonable effort to schedule their foreseeable sick leave so it does not unduly disrupt the employer's operations.
- Employers can establish blackout dates when paid sick leave cannot be used, but only if the employee's need to use leave is foreseeable. If the need for leave is unforeseeable, an employee must be allowed to use his or her sick time, even if during a blackout period.
- Employers can discipline employees if they use sick time for a purpose other than sick time.

+ **What to do with sick time that is unused at the end of the benefit year?**

- Employer can choose to pay out unused sick leave.
- If the employer doesn't pay it out, the employee is allowed to carry over 40 hours of sick time to the next benefit year.
- This does not increase the amount of paid sick leave employees may earn or use in the next benefit year. An employee is not entitled to accrue or use more than 40 hours of sick leave in the next benefit year.
- E.g., for those employers using the accrual method, carryover of sick time allows employees to use sick time immediately at the beginning of the benefit year.



+ **What should you do now?**

- Consult with an HR consultant familiar with the new law, less than 2 weeks to implementation. Create a policy if you don't have one already.
- Decide if you will use the accrual method or front load method.
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- Post the appropriate fliers in a common space, distribute the notice from DOL via email to your employees.
- If you're on the accrual method, you will need to figure out how to track your employee's time, and then accrue for sick time. ADP or other software programs you have may help with this.

