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Paid family leave begins

Measure in this economy draws controversy

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Donna Wood knew she lucked out when her employer, a New York financial services company, gave her full pay while she was on maternity leave.

The expenses from baby formula to diapers piled up. But unlike most workers, she and her husband weren't forced to make do with one paycheck.

"That alleviated a big part of our financial worries in the beginning," said Wood, 48, of Middletown, while pushing her 9-month-old daughter in a stroller one day last week.

New Jersey workers beginning today can get a similar financial break. The state rolls out paid family leave, allowing workers to receive part of their pay for up to six weeks to care for a newborn or an ailing family member.

In doing so, the state becomes the third nationwide to offer paid family leave in what supporters say will give relief to families juggling their jobs and caring for family members. But opponents say the law, enacted in the middle of a recession, comes at the wrong time.

"It's going to be a huge burden on businesses at the worst possible time," said Philip Kirschner, president of the New Jersey Business and Industry Association, a business lobbying group. "At a minimum it should have been delayed until the recession ended."

The paid family leave law elbows its way into a crowded field of leave and disability laws. And it has generated a fair share of confusion.

Under the law:

Workers from both large and small companies can take up to six weeks of paid leave a year to care for a child, spouse or parent with a serious medical illness. They get two-thirds of their weekly pay, up to \$546. It wouldn't apply, however, to a parent needing to take a day off to care for a child who has a runny nose.

Employers with fewer than 50 employees, exempt from both state and federal family leave laws, are required to let employees take paid leave, but they don't have to hold their jobs. Employers with at least 50 workers are required to provide workers with up to 12 weeks of unpaid leave each year and guarantee their jobs when they return through the federal Family and Medical Leave Act. The new law effectively would give New Jersey workers at larger companies six weeks of paid leave and six weeks of unpaid leave.

Workers can first be asked to use up to two weeks of paid sick leave, vacation time or personal days, leaving them eligible for up to four weeks of paid family leave. And a new mother receiving temporary disability can apply for paid family leave to bond with her child after her doctor says she is healthy

enough to return to work.

The money comes from an insurance fund that workers started paying into in January. The average cost per worker: \$26 a year.

"For workers in New Jersey faced with difficult choices, this will make the choices a little bit easier," Labor Commissioner David J. Socolow said.

Proponents hope the law will address an ongoing dilemma. Families occasionally are pulled away to care for newborns or aging parents, and many find it difficult to survive on one income without drastic changes in their lives.

Tracey Wolfman, owner of We Care Adult Care, a day-care center for seniors in Middletown, said caring for aging parents can be a full-time job in itself.

"The cost of placing them in (an assisted-living) facility is not affordable to a lot of people," Wolfman said. "They'd rather take care of them."

The law has generated criticism on both sides of the issue. Wolfman, for example, said six weeks a year isn't enough time. But business advocates say it puts employers in a bind as the economy continues to deteriorate.

Large employers, already operating as efficiently as possible, may lose a key worker. Small employers may have to decide whether to replace a worker on leave. And many employers already are flexible enough to give their workers time they need, said John Sarno, president of the Employers Association of New Jersey, a trade group based in Livingston.

"If we see more people taking leave because it's paid, it's going to be a burden on particularly the small employer who can't readily absorb the absence like a big employer can and will have to be faced with a tough decision: Do I let this person go or do I struggle with the additional costs of a replacement employee?" said Kathleen M. Connelly, an employment lawyer with Lindabury, McCormick, Estabrook & Cooper in Rumson.

The law's sponsor, state Sen. Stephen Sweeney, D-Gloucester, said he made steep concessions to ease the burden on businesses. He reduced the amount of leave from 12 weeks to six. And he ensured workers, not employers, paid for it.

But he recounted the premature birth of his own daughter. Even when he was at work, his mind was on her health. He felt fortunate his employer gave him time off.

In the end, he said, the state needed a paid family leave bill because not all workers had a similar protection.

"I just watch so many families struggle with it and I listen to them wonder how they're going to make their mortgage payments and bill payments," Sweeney said.

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