CRC BENEFITS | THRIVE Workplace Benefits
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NEW JERSEY

Regulatory Compliance and Resources by State

PAID FAMILY LEAVE

The New Jersey Family Leave Act permits leave to be taken for:

- The care of a newly born or adopted child, as long as leave begins within one year of the date the child is born to or placed with the employee; or
- The care of a parent, child under 18, spouse, or civil union partner who has a serious health condition requiring inpatient care, continuing medical treatment or medical supervision. The Family Leave Act considers parents to be: in-laws, step-parents, foster parents, adoptive parents or others having a parent-child relationship with an employee.

How Much Leave Am I Entitled To?

Each eligible employee may take up to 12 weeks of continuous leave during a given 24-month period. An employer is entitled to require the employee to give 30 days notice for leave related to the birth or adoption of a child.

STATE EMPLOYER REPORTING

New Jersey's individual mandate law took effect on January 1, 2019. Like the original ACA mandate, it requires that everyone in the state maintain qualifying coverage (officially known as minimum essential coverage) or face a tax penalty. For adults, the penalty started at either $695 or 2.5% of annual income, whichever is higher.

Employers with 50 or more employees who employ NJ residents now must electronically report on their compliance with the New Jersey Health Insurance Market Preservation Act by:

- Submitting 1095 forms through the MFT Secure Services in a file based on the IRS XML schemas, paper filing will not be accepted.
- Deferring to New Jersey's own forms if those federal forms are ever discontinued.
- Completing their electronic filings by March 31st.
- Employers with less than 50 forms must file using the Form NJ-1095.

These are new requirements, on top of existing reporting responsibilities to the federal government.

Both New Jersey-based and out-of-state employers with employees in New Jersey must comply with the state mandate. According to the state's official guidance, the provisions of the New Jersey Health Insurance Market Preservation Act are not limited only to those employers who withhold New Jersey payroll taxes.

PAID SICK LEAVE

Most New Jersey employers are now required to provide employees with earned sick leave to:

- Care for their own, or a family member's, physical or mental health or injury
- Address domestic or sexual violence
- Attend a child's school-related meeting, conference, or event
- Take care of children when school or child care is closed due to an epidemic or public health emergency

This sheet will be updated as additional information becomes available; note the revision date in the footer.

For more details or to read the law and proposed rules, go to nj.gov/labor/earnedsick.

Note: If you have an existing sick leave policy for employees, it must meet or exceed the requirements of the law.

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Who's Covered by the Law?

Employers must provide earned sick leave to full- and part-time employees. Employers are not required to provide earned sick leave to the following workers:

- Individuals employed in the construction industry under a union contract
- Per diem healthcare employees
- Public employees who are provided with sick leave at full pay under any other NJ law or rule
- Independent contractors who do not meet the definition of an employee under NJ law

Notice of Employee Rights

You must give each employee written notice of their right to earned sick leave, including accrual and use of sick leave, and the right to file a complaint and be free from retaliation. The notice must give the start and end dates of your benefit year.

The notice is available in English and 12 other languages. Employees have a right to the notice in English, and, if available on the NJDOL website, their primary language. Find this notice at nj.gov/labor/earnedsick.

Establishing a Benefit Year

You must establish a single benefit year for all employees. To change the benefit year, you must provide notice in writing to the NJDOL Commissioner at least 30 calendar days prior to the proposed change.

Earned Sick Leave Accrual and Use

Employees accrue one hour of earned sick leave for every 30 hours worked, up to a maximum of 40 hours of leave per benefit year.

MANDATORY 401K REQUIREMENTS

Secure Choice allows employees to contribute a portion of their pretax earnings to an individual retirement account (IRA) via payroll deductions. They are automatically enrolled at a 3% contribution rate, unless they opt out or change their rate, and may contribute $6,000 maximum to the plan per year in accordance with IRS guidelines.

What are some additional features of the NJ Secure Choice plan?

- Employers cannot match employee contributions.
- Participants may not borrow from their savings.
- The maximum contribution limit for employees 50 and older is $7,000.

Plans are portable if employees change jobs NJ Secure Choice applies to for-profit and non-profit employers in the public sector who have:

- 25 or more employees
- Been in business for at least two years
- Not offered a qualified retirement savings program in the past two years
- Businesses with fewer than 25 employees may also participate in NJ Secure Choice, but are not required to do so.

SURPRISE BILLING

Extends the amount of time that the insurance carrier and healthcare provider have to negotiate a settlement in the event of an inadvertent use of out-of-network services from 30 to 60 days. It also extends the deadline for the carrier, provider, or covered person to initiate binding arbitration in the event of a failure to reach a settlement from within 30 days of the final offer to within 90 days of the final offer. The legislation provides that, in order for binding arbitration to be initiated, the difference between a carrier's and provider's final offers must be $1,000 or higher for a billed amount of $2,500 or more, or $500 or higher for a billed amount of less than $2,500.

The bill also changes the certification requirement for arbitrators from a certification from the American Arbitration Association to a certification from the Department of Banking and Insurance.

Finally, the bill requires an arbitrator to include detailed written findings with each decision. The detailed written findings are to be an analysis of the decision including information concerning any databases, previous awards, or other documentation or arguments that contributed to the arbitrator's decision.

LEGAL CODE

RESOURCES

https://www.nj.gov/dobi/division_insurance/index.htm