

NJ Time To Care

FAMILY LEAVE INSURANCE PAYROLL DEDUCTION FACT SHEET

New Jersey' Family Leave Insurance (FLI) officially began on January 1, 2009 with a weekly payroll deduction equaling 0.09% on any eligible New Jersey workers normal paycheck. The payroll deduction is taken automatically from an employee's paycheck until they have earned \$28,800 and have paid \$26.01 towards FLI, at which point the employee's will stop contributing to FLI until 2010, when the payroll deduction will increase to 0.12% of their weekly paycheck. Beginning July 1, 2009, New Jersey workers who pay into the program will be eligible to receive partial wage replacement from FLI funds when they take leave to care for a seriously ill family member or to bond with a newborn or newly adopted child. Employees will be able to apply for FLI benefits through the NJ Dept. of Labor and Workforce Development (visit the Department of Labor's FLI website at: <http://lwd.state.nj.us/labor/fli/fliindex.html>).

No worker will pay more than \$26.01 towards the new FLI program in 2009. However, the FLI deduction is taken as a percentage of an employee's paycheck until they earn \$28,800. The more an employee makes, the more they will contribute to FLI in each paycheck, but they will also finish contributing faster than other workers who earn less. If you take the average weekly contribution over the entire year, no worker will pay more than approximately 50 cents a week for FLI.

Examples:

Employee A earns \$500 a week (or \$26,000/yr) and gets paid bi-weekly. The FLI deduction on their first paycheck in 2009 will be \$0.90. If Employee A's earnings stay the same the whole year, they will pay \$0.90 each paycheck for the entire year and will pay a total of \$23.40 in 2009 into the Family Leave Insurance program. If eligible for FLI benefits after July 1, 2009, Employee A would receive approximately \$335/wk from the FLI fund.

Employee B earns \$1000 a week (or \$52,000/yr) and gets paid bi-weekly. The FLI deduction on their first paycheck in 2009 will be \$1.80. If Employee B's earnings stay the same the whole year, they will pay \$1.80 each paycheck until they have paid a total of \$26.01 (approx. 15 paychecks) into the Family Leave Insurance program, at which point their FLI deduction will end for the year. If eligible for FLI benefits after July 1, 2009, Employee B would receive the maximum benefits allowed by the FLI program, \$548/week.

Employee C earns \$4000 a week (or \$208,000/yr) and gets paid bi-weekly. The FLI deduction on their first paycheck in 2009 will be \$7.20. If Employee C's earnings stay the same the whole year, they will pay \$7.20 each paycheck until they have paid a total of \$26.01 (approx. 4 paychecks) into the Family Leave Insurance program, at which point their FLI deduction would end for the year. If eligible for FLI benefits after July 1, 2009, Employee C would receive the maximum benefits allowed by the FLI program, \$548/week.

For more information on New Jersey's Family Leave Insurance program, contact:
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