

Under this legislation, already approved by the Senate Labor Committee, every employer will be forced to impose a 12-week paid family leave mandate for all employees. Employees would be able to receive up to \$502 per week, for 12 weeks in temporary disability benefits in order to care for a sick family member or bond with a new child. Employers will not be able to require their employees to use paid sick or vacation time first. Unlike the current state and federal unpaid family leave laws that apply to companies with fifty or more employees, the proposed act provides no exceptions, and will apply to all businesses employing 2 or more individuals.

Funding for this program will come from a new 1 percent tax on New Jersey worker's wages through payroll deductions. This new tax will equal about \$25 a year for minimum wage workers and about \$140 a year for those earning at least \$90,000 a year. The majority of New Jersey resident workers already pay \$130 a year to a Temporary Disability Insurance Fund.

Business leaders joined NJBIA President Philip Kirschner in testifying against the legislation including Joe Kelly, President of the Atlantic City Regional Mainland Chamber of Commerce and Lori Anne Oliwa, Vice President of the New Jersey Association of Women Business Owners (NJAWBO). Over 5,000 messages were sent to the legislative leaders and the Governor's office opposing the new paid family leave mandate.

Under the proposed bill, New Jersey will become the second state to offer paid family leave. California has already passed this legislation but limits it to six weeks. According to a February 9<sup>th</sup> article in the Asbury Park Press, a state mandated "one size fits all" family leave program is something the state's businesses and their employees cannot afford. Family leave is best left to individual businesses, based on individual circumstances. The payroll deduction is another tax on businesses in the state of New Jersey that CEO Magazine finds, "... creates the worst tax atmosphere for business in the country..." . In addition to the financial burden of leave pay borne

by the business community, the cost of “ramping up” and training a new temporary employee to backfill a position for only twelve weeks, (for small businesses up to 49 employees) will cause extreme hardship and inefficiency from which small businesses may not recover.

The Morris County Chamber of Commerce, representing some 800 employers, opposes this bill that would require paid family leave of 12 weeks by employers with 2 or more employees in New Jersey and urges the defeat of this legislation.

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