

Subject: Re: Senate business - PL 2019, c. 37
Date: Sun, 19 May 2019 15:17:41 -0400
From: David Vernon <vernond@montclair.edu>
To: Shannon Bellum <bellums@mail.montclair.edu>

Shannon -

Below please find the University response to your question.

This law, PL 2019, c. 37, revises the laws concerning family leave, pregnancy temporary disability leave, family temporary disability leave and domestic or sexual violence safety leave. It is a comprehensive revision to existing laws and expands the maximum total benefits payable to individuals for family disability and temporary disability leaves. The fiscal estimate prepared by Legislative Services is that the bill will increase benefit payments by a range of \$277M to \$363M.

This comprehensive change to the benefit scheme requires a corresponding change to employee wage tax revenues that are used to fund the Statewide scheme. This is the province of the State Dept. of Labor & Workforce Development. Because of the scope of the changes and the associated costs of implementation, the Legislature properly phased in the changes in benefits and taxes over a period of years. The provisions of the law will not be fully phased in until calendar year 2022.

Because this is a State-wide change to the law that impacts all private and public employers, the University cannot unilaterally choose to implement the benefits sooner, as there is no funding mechanism in place and the field is preempted by the legislation. The University has no discretion and no choice but to abide by the law.

Please let me know if you have any questions.

All the best,

David

On 4/15/2019 10:46 AM, Shannon Bellum wrote:

> Hi David,
> I am writing to on behalf of my council, Administrative Affairs. Last Senate meeting, we received an open letter which I have attached here. It is regarding Assembly Bill 3975. We are wondering, should MSU decide to implement the leave earlier than required by the State, who would pay the benefits? I appreciate there may not be a straight forward answer.
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