

New Jersey

New Jersey Confirms Job Protection for Employees Receiving Insurance Benefits and Updates Family Leave Guidance

New Jersey recently released [guidance](#) confirming job protection for employees receiving benefits under the state's temporary disability insurance (TDI) and family leave insurance (FLI) programs. The state also updated separate guidance on its Family Leave Act (FLA) to address changes that apply the law to smaller employers and reduce eligibility requirements for employees. The changes are contained in [Assembly Bill \(AB\) 3451](#) and are effective as of **July 17, 2026**.

TDI and FLI

The New Jersey TDI and FLI programs provide cash benefits for employees who take leave for their own or a family member's care. Most New Jersey workers are covered, although they must meet earnings and work-tenure thresholds. Employees may receive up to **26 weeks per year** of TDI for non-work-related illnesses or injuries, including pregnancy, that prevent them from working.

FLI benefits are capped at **12 weeks per year** and are available for leave for reasons similar to those under the FLA (discussed below), plus for specific purposes related to domestic violence and sexual assault.

Previously, TDI and FLI provided wage replacement only; they did not ensure job protection while an employee is on leave.

Job Restoration After TDI and FLI

Due to the wording of the amendments in AB 3451, confusion previously existed as to whether the amendments required job protection for employees receiving TDI or FLI benefits. The new state guidance confirms that, effective as of July 17, 2026, **an employee's job is protected by TDI/FLI law during their leave if they receive TDI/FLI benefits** from the state or a private plan, and their leave is **not already covered** under the state FLA or federal Family and Medical Leave Act. When an employee's leave ends, they have the **right to return to their same job** or one with the same pay, benefits, seniority and other terms of employment.

The new guidance emphasizes that **there are no minimum employer size requirements or work history requirements** with an employee's current employer. Eligibility for TDI/FLI benefits is based on recent earnings. The following employees, among others, are now eligible for job protection:

Highlights

New Jersey recently:

- Released guidance that confirms job protection for employees receiving benefits under the state's TDI and FLI programs; and
- Updated separate guidance on the state's FLA to address changes that apply the law to smaller employers and reduce eligibility requirements for employees.

The changes are contained in AB 3451 and are effective as of July 17, 2026.

Provided by **Employco USA, Inc.**

- Employees at small employers;
- Newer employees;
- Some part-time workers; and
- Employees receiving benefits to cope with domestic or sexual violence.

The guidance states that, once finalized, **formal rulemaking may change policies, procedures and forms**, and advises employers to consult with a legal professional for specific questions.

The FLA

The FLA entitles eligible employees of covered employers to up to 12 weeks of unpaid, job-protected leave every 24 months, for the following reasons:

- Baby bonding;
- Caring for a family member with a serious health condition;
- Caring for a family member with a suspected exposure to a communicable disease during a state of emergency; and
- Caring for the employee's child if their school or place of care is closed by order of a public official due to an epidemic of a communicable disease or another public health emergency.

Definition of "Employer" and "Employee" in the FLA

Previously, the FLA applied only to employers with 30 or more employees during at least 20 workweeks in the current or preceding calendar year. The employees do not have to work in New Jersey. The act also applies to state and local government agencies, regardless of size.

AB 3451 **changed the definition** of a covered employer under the law, applying its requirements to employers with **15** or more employees.

Also, the FLA previously defined an eligible employee as an employee who has:

- Worked for their employer for at least 12 months; and
- Worked at least 1,000 hours during the 12-month period before the leave.

AB 3451 **changed the definition** to employees who have worked for their employer for only **three months**, and for just **250 hours** during the 12 months before leave.

The New Jersey Division on Civil Rights updated its [guidance](#) on the FLA to address these changes. The linked webpage also includes an updated fact sheet and FAQs. The changes are effective as of July 17, 2026. As a result, more workers now qualify for job protection under the FLA.

Next Steps for Employers

New Jersey employers should consider thoroughly reviewing the different guidance documents noted above and checking back regularly for any updates that may be issued. Employers should also update employee policies and handbooks to address the new requirements.
