



## PAID FAMILY LEAVE PROGRAMS IN CALIFORNIA, NEW JERSEY, AND RHODE ISLAND

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### ISSUE

This report describes the main provisions of the paid family leave programs in California, New Jersey, and Rhode Island.

### SUMMARY

Three states, California, New Jersey, and Rhode Island, have paid family leave programs that provide employees with limited wage replacement benefits when they miss work to provide care for their family members. Among other things, all three programs:

1. are administered through a state-run disability insurance program that predated the state's paid family leave program;
2. are funded entirely by employees through payroll deductions; and
3. provide benefits to employees who are on leave to care for a (a) newborn baby, newly adopted child, or newly placed foster child or (b) seriously ill family member.

Because all three paid family leave programs are administered through their state's disability insurance program, employees in each state can also receive benefits if they must take leave for their own health conditions, including pregnancies, although they typically must be continuously and totally unable to perform their customary work in order to qualify. Because these disability benefits are administered (and sometimes financed) separately, their provisions are not included in this report.

The paid family leave programs generally require eligible employees to have a certain amount of earnings from which deductions to fund the benefits have been withheld over the base period or year preceding their leave. Rhode Island's requirement for \$11,520 in earnings is the highest threshold, while California's



\$300 requirement is the lowest. Maximum lengths of paid leave vary between six weeks in California and New Jersey and four weeks in Rhode Island. Each state uses a different formula for determining an eligible employee’s weekly benefits and sets maximum benefit amounts. Currently, California’s program offers the most generous maximum benefits with a \$1,129 limit. Weekly benefits are capped at \$795 in Rhode Island and \$615 in New Jersey.

In California, employees contribute 0.9% of up to \$106,742 of their wages to fund both the disability insurance and the paid family leave programs. Employees in Rhode Island similarly contribute 1.2% from their first \$64,200 in earnings to fund their state’s disability insurance and paid family leave programs. In New Jersey, employees contribute 0.08% of their first \$32,600 to fund the paid family leave program. The state’s disability insurance program is funded through a separate assessment on both employees and employers.

**PAID FAMILY AND MEDICAL LEAVE IN CALIFORNIA, NEW JERSEY, AND RHODE ISLAND**

Table 1 shows the main provisions of the paid family and medical leave programs in California, New Jersey, and Rhode Island. Because provisions regarding financial requirements, maximum benefit amounts, and taxable earnings may be subject to annual adjustments, the amounts shown are for claims filed as of February 1, 2016.

**Table 1: Paid Family and Medical Leave in California, New Jersey, and Rhode Island**

	<u><a href="#">California Disability Insurance Program</a></u> (Cal. Unemp. Ins. Code §§ 2601-3306)	<u><a href="#">New Jersey Family Leave Insurance</a></u> (N.J. Stat. Ann. §§ 43:21-37 et. seq.)	<u><a href="#">Rhode Island Temporary Caregiver Insurance</a></u> (R.I. Gen. Laws § 28-41-34 et. seq.)
<b>Employee eligibility requirements</b>	At least \$300 of earnings from which deductions for the state’s disability insurance program were withheld during the base period	Either at least (1) \$168 in weekly covered earnings for 20 calendar weeks or (2) \$8,400 in earnings during the 52 calendar weeks preceding the leave	Workers must earn wages in Rhode Island and pay into the Temporary Caregiver Fund, and: (1) earn at least \$11,520 in their base period or (2) (a) earn at least \$1,920 in one of their base period quarters, (b) have total base period taxable wages that are at least 1.5 times greater than their highest quarter of earnings, and (c) have base period taxable wages of at least \$3,840

Table 1 (continued)

	<a href="#"><u>California Disability Insurance Program</u></a> (Cal. Unemp. Ins. Code §§ 2601-3306)	<a href="#"><u>New Jersey Family Leave Insurance</u></a> (N.J. Stat. Ann. §§ 43:21-37 et. seq.)	<a href="#"><u>Rhode Island Temporary Caregiver Insurance</u></a> (R.I. Gen. Laws § 28-41-34 et. seq.)
<b>Covered employers</b>	All private-sector employers  Public sector employers of employees who pay into the program	All private sector employers who are subject to the state's unemployment compensation law	All private-sector employers who are subject to the state's unemployment compensation law ( <a href="#"><u>R.I. Gen. Laws § 28-39-2</u></a> )  Optional for public sector employers ( <a href="#"><u>R.I. Gen. Laws § 28-39-3.1</u></a> )
<b>Allowed uses for paid family leave</b>	Care for a worker's newborn, newly adopted, or newly placed child  Care for a family member with a serious health condition	Bond with a worker's newborn, newly adopted, or newly placed child  Care for a family member with a serious health condition	Bond with a worker's newborn, newly adopted, or newly placed child  Care for a family member with a serious health condition
<b>Definition of "family member"</b>	The worker's child, spouse, parent, parent-in-law, grandparent, grandchild, or sibling	The worker's spouse, domestic partner, civil union partner, parent, or child	The worker's child, parent, spouse, domestic partner, parent-in-law, or grandparent
<b>Definition of "serious health condition"</b>	An illness, injury, impairment, or physical or mental condition that involves inpatient care in a hospital, hospice, or residential medical care facility. It includes any period of incapacity or any subsequent or continuing treatment connected with the inpatient care. It does not include cosmetic treatments, common colds, influenza, earaches, upset stomachs, minor ulcers, or non-migraine headaches.	An illness, injury, impairment, or physical or mental condition that requires inpatient care in a hospital, hospice, or residential medical care facility or continuing medical treatment or supervision by a health care provider ( <a href="#"><u>NJ Admin. Code § 43:21-27(s)</u></a> )	Any illness, injury, impairment, or physical or mental condition that involves inpatient care in a hospital, hospice, residential health care facility, or continued treatment or supervision by a licensed health care provider ( <a href="#"><u>R.I. Gen. Laws § 28-41-34</u></a> )
<b>Maximum length of paid leave</b>	Six weeks for family care	Six weeks for family care (may be reduced by up to 14 days if employer requires use of paid time off)	Four weeks for family care

Table 1 (continued)

	<a href="#"><u>California Disability Insurance Program</u></a> (Cal. Unemp. Ins. Code §§ 2601-3306)	<a href="#"><u>New Jersey Family Leave Insurance</u></a> (N.J. Stat. Ann. §§ 43:21-37 et. seq.)	<a href="#"><u>Rhode Island Temporary Caregiver Insurance</u></a> (R.I. Gen. Laws § 28-41-34 et. seq.)
<b>2016 weekly benefit amounts</b>	Generally, 55% of weekly salary  Maximum benefit: \$1,129	Two-thirds of worker's average weekly wage  Maximum benefit: \$615	4.62% of the worker's wages in the highest earning quarter of their base period  Maximum benefit: \$795
<b>2016 benefit funding</b>	<u>0.9%</u> employee payroll contribution on up to \$106,742 of an employee's wages for disability insurance and paid family leave coverage	0.08% employee payroll contribution from the first \$32,600 of an employee's annual covered wages (disability insurance is funded through a separate assessment on employers and employees)	1.2% employee payroll contribution from the first \$64,200 of an employee's annual earnings for temporary disability insurance and temporary caregiver insurance

**HYPERLINKS**

State of California Employment Development Department, Disability Insurance and Paid Family Leave Benefits, <http://www.edd.ca.gov/disability/>, last visited February 3, 2016.

State of New Jersey, Department of Labor and Workforce Development, Family Leave Insurance, <http://lwd.dol.state.nj.us/labor/fli/fliindex.html>, last visited February 3, 2016.

Rhode Island Department of Labor and Training, Temporary Disability Insurance/Temporary Caregiver Insurance, <http://www.dlt.ri.gov/tdi/>, last visited February 3, 2016.

State of California Employment Development Department, State Disability Insurance Contribution Rates, [http://www.edd.ca.gov/disability/sdi\\_contribution\\_rates.htm](http://www.edd.ca.gov/disability/sdi_contribution_rates.htm), last visited February 3, 2016.

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