

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

[First Reprint]

**SENATE, No. 2786**

# **STATE OF NEW JERSEY**

DATED: AUGUST 24, 2020

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2786 (1R).

This bill allows employees in long-term care facilities to earn paid sick leave.

Current law requires employers to provide their employees with accumulated paid sick leave at a rate of one hour for every 30 hours worked. However, the requirement does not apply to per diem health care employees, other than certified homemaker-home health aides. The bill revises this exception to provide that long-term care facilities will also be required to provide their employees with accumulated paid sick leave. In the case of employees placed with a long-term care facility by a temporary help service firm, sick leave will accumulate through the temporary help service firm.

The paid sick leave will begin to accrue on the effective date of the bill, but long-term care facility employees will be credited with earned sick leave for any hours worked between March 9, 2020, which is the date the state of emergency and public health emergency were declared in response to the coronavirus disease 2019 (COVID-19) pandemic, and the effective date of the bill. Current long-term care facility employees will be entitled to begin using any accumulated sick leave at any time that is 90 days after the date the employee commenced employment or placement with the facility. The standard requirements for accrual and use of paid sick leave will apply to long-term care facility employees who commence employment after the effective date of the bill.

### FISCAL IMPACT:

The Office of Legislative Services (OLS) estimates that nursing homes operated by the Department of Military and Veterans Affairs and certain county governments may incur indeterminate increases in annual operating expenditures under the bill, to the extent that facilities who do not provide or provide less favorable earned sick leave benefits to their employees will have an increased cost in their employee benefits. The OLS notes that the bill's impact on the nursing home industry will put upward pressure on the Medicaid per diem rate set by the State.