

## Top stories in this newsletter



Changes in New York's Paid Family Leave Laws



New Jersey's Expansive Licensing and Registration Scheme



Affordable Care Act Employer Penalties Are Not Going Anywhere

## Paid Family Leave Expands in New York



As of January 1, 2018, paid family leave became mandatory in New York State. There are several phases to the implementation of New York's paid family leave law, with the most recent phase taking effect in the early month's of this year.

As of January 1, 2019, the number of weeks eligible employees can take to bond with a new child, care for a family member with a serious health condition, or assist loved ones when a family member is deployed abroad on active military service increased to 10 weeks.

Governor Andrew Cuomo recently expanded the definition of "serious health condition" to include preparation and recovery from surgery so that caretakers of organ and tissue donors will be eligible for paid family leave as well. This change becomes effective February 3, 2019.

The paid family leave wage replacement benefit also increased as of this year.

The wage replacement benefit and number of eligible weeks will continue to increase through 2021.

Make sure that your company is in compliance with New York's current paid family leave requirements by visiting <https://paidfamilyleave.ny.gov/>.

## New Jersey's Expansive Registration and Licensing Requirements



The State of New Jersey issued a "NJ License & Certification Guide" to assist New Jersey businesses in determining what registration or licensing requirements might apply to them. The guide, available online at <https://www.nj.gov/njbusiness/documents/liccert.pdf>, is currently 59 pages long.

Almost every page has the same format. An occupation is listed in the left hand column. The middle column identifies the entity that regulates that particular occupation. The right hand column identifies whether that occupation requires a license, permit or another form of registration.

Although most of these occupations are subject to regulation by the State of New Jersey, the guide also contains occupations regulated by federal agencies such as the Federal Trade Commission and the Federal Aviation Administration.

As you go through the list, a pattern emerges. Many of the licensing requirements relate to the health and safety of the public. Other licensing requirements seem designed to protect New Jersey residents from consumer fraud and negligence.

What's the penalty for failing to register with the State? The answer is specific to the occupation and applicable regulatory scheme. In one instance, a Court indicated that a business that failed to register in the state could not enforce an employment agreement in a New Jersey Court.

If you are operating a business in New Jersey, make sure that you are in compliance with New Jersey's expansive registration and licensing scheme.

## ACA Employer Mandate is Here to Stay



As the various branches of the federal government wrangle over the fate of the Affordable Care Act, so many company executives hold out hope that the headaches they experienced as a result of the implementation of the Affordable Care Act may go away. Those headaches are not going anywhere.

If you have received a 226J letter for 2015 or 2016, you know that the IRS continues to enforce the Affordable Care Act penalties on employers, specifically Employer Shared Responsibility Payments ("ESRP's"). Although the current government shutdown has slowed down progress on resolving ESRP disputes, these penalties will continue to be assessed once the federal government resumes normal activities.

IRS observers report that the IRS issued 226J letters for 2015 violations somewhat randomly. As the IRS issues 226J letters for 2016, it is more likely that the service will target companies with higher ESRP amounts.

If your company receives a 226J letter, consult with a legal or accounting professional who can guide you in your response.

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Next edition: April 2019

