

P.L. 2025, c.279: Critical Implementation Concerns
TDI/FLI Job Restoration Provisions Create Avoidable Harm Without Clarification
Take Immediate Action Before July 17, 2026

Employers Association of New Jersey | June 2026

REQUESTED ACTION

Delay the July 17, 2026 effective date for TDI/FLI job restoration and enact a clean-up bill that: adds an undue hardship exception, requires coordination with FMLA/NJFLA, and creates real-time employer notice.

CRITICAL ISSUE 1: No Undue Hardship Exception

TDI and FLI apply to virtually all NJ employers, regardless of size. Congress and the Legislature have long recognized that one-size-fits-all job protection does not work, which is precisely why the FMLA and NJFLA have size thresholds and employee eligibility requirements. A three-person landscaping company and a 3,000-person hospital system face identical obligations under these amendments. Tenure does not factor in. An employee three weeks into a new job can trigger a 26-week reinstatement obligation based on prior earnings with another employer.

Fixes:

- Establish an undue hardship exception applicable to all covered employers when a position cannot be held or restored due to legitimate business necessity.

CRITICAL ISSUE 2: No Requirement to Coordinate with FMLA/NJFLA Leave

The law does not require TDI/FLI to run concurrently with FMLA or NJFLA when the reasons overlap. That means employees can exhaust a leave entitlement under FMLA and/or NJFLA and then apply for TDI/FLI, thereby triggering a separate reinstatement right. The result is sequential job protection that significantly compounds an employer's operational and financial burdens.

Fixes:

- Require TDI/FLI to run concurrently with FMLA/NJFLA when the qualifying reason overlaps.
- Clarify that TDI/FLI restoration does not extend job protection beyond the applicable reinstatement period already provided under applicable leave laws where leaves run concurrently.

CRITICAL ISSUE 3: NJDOL Has No Real-Time Employer Notice

The Department of Labor and Workforce Development is not prepared. Under current NJDOL practice, employers are notified of TDI/FLI claims by U.S. mail, often weeks or months after a claim is filed. Without timely notice, employers may fill vacant roles, reassign work, or restructure staffing without knowing they are violating the law.

Fixes:

- Require NJDOL to implement electronic, real-time notification to employers when a TDI or FLI claim is filed, approved, extended, or denied.
- Establish a clear rule that reinstatement obligations are not triggered until the employer has received actual notice of the claim.
- Delay the effective date of this provision until real-time notification is in place.

WHY THIS MATTERS TO NEW JERSEY EMPLOYERS

P.L. 2025, c.279 creates a private right of action effective July 17, 2026. Employees may file suit on day one under standards that have not been defined, against employers who had no meaningful opportunity to prepare. A short implementation delay, targeted statutory fixes, and clear agency guidance would preserve the policy goals while preventing avoidable harm to employers, employees, and workplace stability.