

Employment Law Update: Remote Worker Ruling Creates Concern For New Jersey Employers

08/23/23

Throughout and since the COVID-19 pandemic, many New Jersey employers have allowed employees to work remotely. Many of these employees work from their New Jersey homes; therefore the [New Jersey Law Against Discrimination](#) (“NJLAD”) clearly applies to them because they work within the state.

However, some remote employees who work for New Jersey companies do not perform any actual work in New Jersey, but at the location that they work from outside of the state boundaries. Whether a New Jersey employer would be required to defend a lawsuit with NJLAD claims filed by such employees has been a vexatious question for some time. A recent case, *Schulman v. Zoetis, Inc.*, decided on July 14, 2023, by the United States District Court, District of New Jersey (“New Jersey District Court”), sheds light on this issue for employers.

The Facts of *Schulman v. Zoetis, Inc.*

- The employer company is headquartered in New Jersey.
- The employee is a New Hampshire resident.
- The employee performed all work in New Hampshire for her New Jersey employer.
- The employee did not perform any work in New Jersey for her New Jersey employer.

The New Jersey Employer Is Subject To a Lawsuit Under the NJLAD

The employer argued that the NJLAD does not apply to a remote worker who worked for a New Jersey company outside of the state. The employee argued that the fact that the Company was headquartered in New Jersey was enough to require that the Company could be subject to a lawsuit under the NJLAD.

The New Jersey District Court explained that the New Jersey Supreme Court had not issued a “controlling decision” on the issue, therefore it would have to “predict” how the New Jersey Supreme Court would eventually rule. The New Jersey District Court predicted that the New Jersey Supreme Court will rule that New Jersey companies are subject to lawsuits under the NJLAD from employees who work remotely from outside of the state. The New Jersey District Court based its reasoning on principles of statutory interpretation, lower court decisions, and the liberal interpretation required of the NJLAD.

TAKEAWAY: New Jersey employers must be aware that they may be subject to lawsuits under the NJLAD from their remote workers who do not live or perform actual work in New Jersey. If you are an employer and need help navigating the NJLAD, or any federal or New Jersey employment law, contact [Stephanie Gironda](#) or any member of the Wilentz [Employment Law](#) Team.

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