

New York State Paid Family Leave Law

The New York Paid Family Leave Law becomes effective January 1, 2018. It will be fully phased in over 4 years and will result in eligible employees being entitled to up to 12 weeks of paid family leave when they are out of work for certain qualifying reasons.

The paid family leave program will be included under the disability policy all employers must carry and is intended to be funded entirely through employee payroll deductions. Employers are not required to fund any portion of this benefit. The proposed regulations issued by the New York Workers' Compensation Board provide that employers are permitted, but not required, to begin to collect weekly contributions on July 1, 2017. On June 1, 2017, the Superintendent of Financial Services issued its decision setting the maximum employee contribution at 0.126% of an employee's weekly wage but not to exceed 0.126% of the statewide average weekly wage ("SAWW"). Under the statute, the New York Department of Financial Services was tasked with setting the maximum employee contribution by June 1, 2017, and annually thereafter. As a reminder, the SAWW is calculated annually on March 31st based on the previous calendar year, so the maximum Paid Family Leave employee contribution will likely increase in March 2018.