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New York State Paid Family Leave

Effective January 1, 2018, New York State's recently passed Paid Family Leave law goes into effect. Under this new legislation, nearly all private employees who work in New York State will be eligible for Paid Family Leave. Employees in the state of New York who are regularly scheduled to work at least 20 hours a week and have worked at least 26 consecutive weeks are eligible for paid family leave. Part-time employees who work fewer than 20 hours per week will become eligible for the benefits after working 175 days (actual days worked). New York's Paid Family Leave requirements will apply to any employer with employees who work in New York State.

The benefit provides both job protected leave and wage replacement benefits when an employee is absent because of the birth, adoption, or fostering of a child, when caring for a spouse, domestic partner, child, parent, parent-in-law, grandparent or grandchild with a serious health condition, or while assisting loved ones when a spouse, child, domestic partner, or parent is deployed abroad on military duty. Where applicable, federal FMLA leave will run concurrently with New York's Paid Family Leave.

The Paid Family Leave wage replacement benefits are intended to be fully funded by the employee. Employee contributions are set at 0.126% of employees' weekly wages (or the state average wage if less) and may be deducted from their pay checks. For 2018, the maximum employee contribution is roughly \$1.65 per week (or \$85 per year). The maximum amount changes each year on Sept. 1.

Employers may fully-insure or self-insure the benefit. Insurance carriers that provide disability benefits in NY State must also provide coverage for these benefits (usually through a rider to disability policy). An employer who decides to self-insure must meet certain requirements.

You can find further details regarding this benefit here:

<https://www.ny.gov/new-york-state-paid-family-leave/new-york-state-paid-family-leave-employers>

Visit our website for more information and to view Compliance Updates. This publication was written by Carolyn Cox, In-House Corporate Counsel. Carolyn provides Moreton & Company clients with Compliance services. Or additional questions, please contact her at 801-715-7110 or ccox@moreton.com.

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