

### *New York State Paid Family Leave Act*

The New York State Paid Family Leave Act will become effective January 1, 2018. It will be one of the broadest family leave policies in the nation and phased in over 4 years. New York employers are **required** to provide coverage under this act. This act is designed to provide New Yorkers job-protected, paid leave to bond with a new child, care for a loved one with a serious health condition or relieve family pressure when someone is called to active military service. Below is a brief overview of the law.

#### **Paid Family Leave (PFL)**

is designed to provide employees with:

- A monetary benefit
- Job Security
- Continuation of benefits during a leave

and can be used for:

- Bonding with a child (paid time off during the first year of birth/adoption of a child)
- Providing care for family members (child, parent, grandparent, grandchild, spouse or domestic partner; does not include siblings)
- Military leave (financial/legal arrangements, counseling, attending military events, childcare, caregiver leave)

PFL cannot be used for the employee; only qualified family members.

The monetary benefit is 50% of wages up to 50% of NYS average weekly wage (\$1,305.92 at this time), to a maximum of \$652.96/week, payable up to 8 weeks in a 12 month period. This will increase annually to 12 weeks in 2021, and 67% of average weekly wages.

The income replacement will be **paid for by an insurance policy** procured by the employer on behalf of the employee. In most cases, employers will choose their current DBL carrier. The full cost of the premium will be paid by employee payroll contributions of 0.126% of payroll, not to exceed \$1.65 per employee per week.

Payroll deductions can start July 1 of this year. If an employer's insurance policy is paid annually in advance, this is an option to offset the premium.

The employee is responsible for certifying the claim with the insurance company. In the case of caring for a family member, a doctors' note will be required.

There are many requirements and details contained in this act. The full PFL policy can be viewed at <https://www.ny.gov/programs/new-york-state-paid-family-leave>.

We are planning a seminar in the near future that will cover all of the compliance rules, benefits to employers and employees, as well as a health care update. If you are interested in attending, please email [jblasdell@baileycarrcpa.com](mailto:jblasdell@baileycarrcpa.com) or call our office.