



NY Paid Family Leave Benefit and Statutory Disability Update

Issue Date: January 2017

Effective January 1, 2018, all New York employers will be required to include the NY Paid Family Leave (PFL) benefit in conjunction with the NY Disability Benefits Law (DBL) product from the same insurer or administrator.

Background

Led by Governor Cuomo, New York's 2016-17 State Budget, passed on April 4, 2016, includes a landmark paid family leave policy – the longest and most comprehensive in the nation – to help workers maintain financial stability while taking time to care for a family member.

Program Timeline

When fully phased-in, employees will be eligible for 12 weeks of paid leave when caring for an infant, a family member with a serious health condition or to relieve family pressures when someone is called to active military service.

Benefits will be phased in beginning in 2018 at 50% of an employee's average weekly wage and capped at 50% of the statewide average weekly wage. It will be fully implemented in 2021 at 67% average of an employee's average weekly wage, capped to 67% of the statewide average weekly wage.

Employee-Funded Program

NYS states that paid leave will be funded entirely through a nominal payroll deduction on employees, so it costs businesses – both big and small – nothing. Employees are eligible for the program after having worked at least 26 weeks for their employer.

Please be aware that this does not represent legal or tax advice and is only Frenkel's interpretation of the laws, regulations and statutes. It is highly recommended that you seek the advice of your legal and tax professional as to the applicability of this information to your particular situation.