
Tuesday, November 26, 2019

As we approach the New Year, employers should keep in mind that several updates to the New York Paid Family Leave Law ("NYPFLL") are scheduled to take effect on January 1, 2020. As we have previously reported, the NYPFLL provides a phased-in system of paid, job protected leave for eligible employees: (i) to care for a new child following birth, adoption, or placement in the home; (ii) to care for a family member with a serious health condition; or (iii) for qualifying exigencies related to military duty.

Effective January 1, 2020, employees taking leave under the NYPFLL will receive 60% of their average weekly wage (up from 55% in 2019), up to a cap of 60% of the current Statewide Average Weekly Wage ($1,401.70). In other words, the maximum weekly benefit for 2010 will increase from $746.41 to $840.70. That said, while the benefit will increase, the number of weeks available for paid family leave will remain steady at 10 weeks per year. (This 10-week period of benefits will increase on January 1, 2021 to 12 weeks of leave under the NYPFLL.)

Also effective January 1, 2020, the employee contribution rate will increase from 0.153% to 0.270% of an employee’s gross wages each pay period (capped at the Statewide Average Weekly Wage), which means that an employee’s maximum annual contribution will increase from $107.97 to $196.72. Employees earning less that the Statewide Average Weekly Wage, however, will contribute less, consistent with their actual wages. Employers may start taking deductions at the new rate beginning on January 1, 2020.

The State has updated its website to provide an overview of these changes, as well as its FAQs to address, among other things, the benefits available to employees who start a period of leave under the NYPFLL in 2019 that extends into 2020. The FAQs make clear that employees will receive the benefit rate and number of weeks in effect on the first day of their leave. For example, if an employee starts a period of paid family leave in 2019, and it extends into 2020, the employee is not eligible for the benefits at the 2020 rate. However, an employee who takes intermittent leave in 2019 may be eligible for increased benefits if more than three months passes before the employee’s next day or period of leave (as this is considered to be a new claim under the law).

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Employers in New York are encouraged to review their current NYPFLL policies and practices to ensure compliance with the updated requirements.

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