

New York Paid Family Leave Premium Rates and Benefits to Increase for 2019

New York State's Department of Financial Services has announced that the 2019 Paid Family Leave premium rate will be 0.153%, allowing maximum annual employee contributions of \$107.97. The maximum PFL benefit for 2019 will be 55% of the statewide average weekly wage for up to 10 weeks of qualifying leave. Employers should factor the increases into their leave programs and payroll practices.

Background

In 2016, New York adopted the Paid Family Leave Law (PFL) that provided for benefits to be phased in over a three-year period starting in 2018. When fully phased in, the PFL program will provide eligible employees with up to 12 weeks of paid leave benefits in a 52-week period to: care for a family member with a serious health condition; bond with a newborn, adopted, or foster child; or deal with a qualifying exigency arising from a family member's active military duty. PFL benefits are employee-funded and administered through the state's temporary disability insurance program. (See our [April 26, 2016](#) *For Your Information*.)

Last year, New York's Department of Financial Services (DFS) announced that PFL benefits coverage would be community rated and established a statewide premium rate. Whether providing PFL benefits through an issuer (including the state insurance fund) or by self-funding, employers are authorized to collect a maximum employee contribution equal to the premium rate. For calendar year 2018, DFS set a premium rate and maximum weekly employee contribution of 0.126% of an employee's average weekly wage capped at the state's average weekly wage of \$1,305.92. (See our [June 19, 2017](#) *For Your Information*.)

2019 Increases

DFS recently [announced](#) increases in both the maximum PFL benefit and the premium rate/maximum annual employee contribution for 2019.

Maximum PFL Benefit

Starting January 1, 2019, the number of weeks of leave eligible employees can take to bond with a new child, care for a sick family member, or deal with issues surrounding a family member's deployment abroad on active military service increases from the current maximum of eight weeks at 50% of the employee's average weekly wage (capped at 50% of the state average weekly wage of \$1,305.92) to a maximum of 10 weeks at 55% of the employee's average weekly wage (capped at 55% of the current state average weekly wage of \$1,357.11). The maximum weekly benefit for 2019 is \$746.41.

Premium Rate and Maximum Employee Contribution

For 2019, the premium rate and maximum payroll contribution is 0.153% of an employee's gross weekly wages capped at the state's average weekly wage of \$1,357.11. The maximum employee contribution for 2019 is \$107.97. Employers may start taking deductions at the 2019 rate on January 1, 2019.

In Closing

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