

As of January 1, 2018, Paid Family Leave provides you with a structure to help employees care for their families. Paid leave has been shown to increase workplace morale and employee retention. New York's Paid Family Leave benefit is fully funded by employee payroll contributions.

Paid Family Leave provides job-protected, paid time off so an employee can:

- **bond** with a newly born, adopted, or fostered child,
- **care** for a family member with a serious health condition, or
- **assist** loved ones when a family member is deployed abroad on active military service.

What coverage do employers need?

Private employers must have Paid Family Leave insurance in place by January 1, 2018. Generally, coverage will be added to your existing disability benefits policy. The insurance policy will provide payment of the Paid Family Leave benefit to your employees. Public employers may choose to offer Paid Family Leave to their employees.

How is Paid Family Leave funded?

Employees pay for these benefits through a small weekly payroll deduction, which is a percentage of their weekly wages up to a cap set annually. The employee contribution rate is set every year to match the cost of insurance coverage and you use the employee contributions to pay the insurance premium.

The 2018 payroll contribution is 0.126% of an employee's weekly wage and is capped at an annual maximum of \$85.56. Employees earning less than the New York State Average Weekly Wage (\$1305.92 per week), will have an annual contribution amount less than the cap of \$85.56, consistent with their actual weekly wages.

For example, in 2018, if an employee earns \$27,000 a year (\$519 a week), they will pay 65 cents per week.

What are the Paid Family Leave benefits?

Benefits phase in over four years. During 2018, employees can take up to eight weeks of Paid Family Leave and receive 50% of their average weekly wage (AWW), capped at 50% of the New York State Average Weekly Wage (SAWW). An employee's AWW is the average of the employee's last eight weeks of pay prior to starting Paid Family Leave. The SAWW is updated annually.

YEAR	WEEKS OF LEAVE	BENEFIT
2018	8 weeks	50% of employee's AWW, up to 50% of SAWW
2019	10 weeks	55% of employee's AWW, up to 55% of SAWW
2020	10 weeks	60% of employee's AWW, up to 60% of SAWW
2021	12 weeks	67% of employee's AWW, up to 67% of SAWW

Who is eligible to receive Paid Family Leave benefits?

Most employees who work in New York State for private employers are eligible to take Paid Family Leave. Public employers may opt into the program.

- **Full-time employees:** Employees with a regular schedule of 20 or more hours per week are eligible after working 26 consecutive weeks.
- **Part-time employees:** Employees with a regular schedule of less than 20 hours per week are eligible after working 175 days, which do not need to be consecutive.

Employees are eligible regardless of citizenship and/or immigration status.

Can employees opt out?

Employees can opt out of Paid Family Leave if they do not expect to work for their employer for the minimum amount of time required for eligibility. As the employer, you must offer a Paid Family Leave waiver to employees who will not meet the eligibility requirements. The waiver is available at ny.gov/PaidFamilyLeave. You should keep completed waivers on file.

If the employee's schedule changes and they will now meet the minimum eligibility requirements, the waiver is automatically revoked. An employee may voluntarily revoke their waiver at any time. If their waiver is revoked, you may retroactively collect any deductions from the date the employee signed the waiver.

What is the Paid Family Leave request process?

1. The employee will notify you at least 30 days before their leave will start, if it's foreseeable. Otherwise, the employee should notify you as soon as possible.
2. The employee will contact you, your insurance carrier, or visit ny.gov/PaidFamilyLeaveApply to obtain the required forms.
3. The employee completes the *Request For Paid Family Leave (Form PFL-1)* and submits it to you.
4. As the employer, you must then fill out your section of *Form PFL-1* and return it to the employee within three business days. Make a copy for your records.
5. The employee will submit *Form PFL-1*, the other request forms specific to the leave they are taking, and supporting documentation to your insurance carrier. The insurance carrier must pay or deny the request within 18 calendar days of receiving the completed forms.

What if you already offer Paid Family Leave?

You must ensure that your Paid Family Leave benefit offers what the law requires, at minimum; however, you may choose to supplement with a more generous leave policy. Covered employers are required to purchase an insurance policy or provide Paid Family Leave benefits directly if approved as a self-insured employer.

If you pay full wages to your employees while they are on Paid Family Leave, you may seek reimbursement from your insurance carrier for the amount payable under your Paid Family Leave policy.

What actions should employers take now?

Ensure your company has Paid Family Leave coverage.

- Most private employers with one or more employees are required to obtain Paid Family Leave insurance. Contact your broker or insurer for information about available policies as well as options for paying your premium (e.g., whether it can be paid semi-annually, annually, or annually on a retrospective basis).

NOTE: *This insurance is generally added to an existing disability insurance policy.*

- If you are self-insured for disability, you may purchase a separate Paid Family Leave policy or apply to the NYS Workers' Compensation Board to self-insure.
- For a list of insurers offering Paid Family Leave policies, visit the Paid Family Leave section of the Department of Financial Services website at dfs.ny.gov/PFL.

Inform your employees about Paid Family Leave.

- Update appropriate written materials distributed to your employees, such as employee handbooks, to include Paid Family Leave information.
- If you do not have a handbook, provide written guidance to employees concerning their Paid Family Leave benefits.
- Model language for handbooks or other written guidance is available to download in the *Employer* section of ny.gov/PaidFamilyLeave.

Prepare for employee payroll contributions.

- Update your payroll processes to collect the employee contributions that pay for this insurance.
- It is strongly recommended you notify employees before withholding any contributions. A model notification is available in the *Employer* section of ny.gov/PaidFamilyLeave.
- The employee contribution rate is set every year to match the cost of insurance coverage. For 2018, payroll contribution rate is 0.126% of an employee's weekly wage and is capped at an annual maximum of \$85.56. Employees earning less than the New York State Average Weekly Wage (\$1305.92 per week), will have an annual contribution amount less than the cap of \$85.56, consistent with their actual weekly wages.
- To assist you, a deduction calculator is available at ny.gov/PFLcalculator.

Inform ineligible employees about waivers.

- Identify employees who will not meet the time-worked requirement for eligibility, and offer them the option to waive coverage.
- Provide these employees with a waiver form, which is available at ny.gov/PaidFamilyLeave.
- Keep a copy of all completed waivers on file.

Post an employee notice.

- Your insurance carrier will provide you with a *Notice Of Compliance (Form PFL-120)* — also known as “Notice to Employees” — stating that you have Paid Family Leave insurance.
- If you are self-insured, you can get this notice by contacting the NYS Workers' Compensation Board at certificates@wcb.ny.gov.
- Post and maintain this notice in plain view, similar to how the signage for workers' compensation and disability insurance is displayed.

For more information, including Paid Family Leave forms and other resources for employers, visit ny.gov/PaidFamilyLeave or call (844) 337-6303.

