

NY Paid Family Leave Frequently Asked Questions

Does my company have to participate in the Paid Family Leave insurance program?

Yes, Paid Family Leave is not optional for most employers.

What do I need to do to get PFL insurance?

NY PFL will be added as a rider onto your existing disability insurance policy. Your current disability insurance carrier will contact you this summer to go over the details of adding the rider onto your policy.

Who pays for the cost of NY PFL?

The employer pays the insurance bill, but you have the right to charge your employees for the cost through payroll deduction. **The company may choose to pay the entire cost of the policy without deducting it from employees.**

How much can I deduct from my employees?

The maximum deduction is 0.126% of an employee's weekly wage capped by **NY's current average weekly wage of \$1,305.92.**

EXAMPLES:

Employee 1 paid \$1,500 Weekly = \$1.65 NY PFL deduction.

Employee 2 paid \$1,000 Weekly = \$1.26 NY PFL deduction.

What if my pay frequency isn't weekly?

The deduction calculation takes your pay frequency into consideration to ensure the proper amount is deducted.

EXAMPLES:

Employee 3 paid \$3,000 Bi-Weekly = \$3.29 NY PFL deduction.

Employee 4 paid \$2,000 Bi-Weekly = \$2.52 NY PFL deduction.

Employee 5 paid \$3,000 Semi-Monthly = \$3.57 NY PFL deduction.

Employee 6 paid \$2,000 Semi-Weekly = \$2.52 NY PFL deduction.

What do I need to do now?

1. Notify all employees that they will see a new deduction called NY PFL from their paycheck beginning July 1, 2017. NYS is expected to release a mandatory notice that must be posted for employees. Until this notice is published, we recommend that you notify employees of the new deduction and provide them with the following website address so that employees can obtain more information: <https://www.ny.gov/new-york-state-paid-family-leave/paid-family-leave-how-it-works>
2. Review any existing paid family leave policies and brush the dust off your employee handbook. You will need to modify your handbook to include the new PFL requirements. You may also need to consult with your legal counsel prior to rolling out any handbook and policy changes prior to January 1, 2018.
3. Contact your payroll service ASAP if you do NOT want to deduct NY Paid Family Leave from your employees.
4. Contact your payroll service ASAP if you believe your company has a specific exemption from obtaining PFL so that no NY PFL deduction occurs on or about July 1, 2017. For more information on exemptions, visit <http://www.wcb.ny.gov/content/main/DisabilityBenefits/Employer/whoCovered.jsp> or contact your insurance agent.

What is Paid Family Leave (PFL)?

PFL is a mandatory employer insurance policy that provides wage replacement for employees that take time off from work to care for an infant or family member with a serious health condition, or to assist with family obligations when a family members is called into active military service.

Employees taking family leave must be restored to their original or comparable position previously held prior to taking the leave. Also, employers must maintain employees' health benefits while on leave.

When does it start?

Employees may apply for PFL benefits beginning on January 1, 2018. Employers may begin funding through payroll deduction on July 1, 2017.

Which employees are eligible?

Full time employees regularly working 20 or more hours per week are eligible if they are employed for 26 consecutive weeks.

Part time employees that regularly work less than 20 hours per week are eligible on the 175th day of work.

More information on eligibility may be found at <https://www.ny.gov/new-york-state-paid-family-leave/paid-family-leave-how-it-works>.

How do I keep track of which employees are eligible?

Eligibility is determined at the time of a benefit claim with the insurance carrier. When an employee places a claim for PFL benefits, the insurance carrier will ask you to verify whether they were eligible. At that time, your payroll service will assist you with running a payroll report to determine whether the employee met the necessary criteria to be considered eligible.

Where can I get more information?

<https://www.ny.gov/programs/new-york-state-paid-family-leave>

<http://www.wcb.ny.gov/PFL/pfl-regs-text-revised.jsp#380-2>

<http://pfl.shelterpoint.com>

