

Engage PEO Client Alert:

New York State Updates Wage Orders and Paid Family Leave

The New York State Department of Labor Wage Orders incrementally increase the salary threshold for New York employees classified under the Executive and Administrative exemptions. **The new Wage Order increases take effect on December 31, 2019.**

Additionally, the New York Paid Family Leave (PFL) law eligible employee entitlements will increase in 2020. Eligible employees will be entitled to up to 10 weeks of leave at 60% of the state average weekly wage which is \$1,401.17, making the maximum PFL benefit \$840.70 per week for 2020. (Reference the previous Engage Client Alert on PFL, [here](#)).

Wage Orders Increases

Employers working in multiple locations in New York State will need to apply different salary thresholds depending on their employees' location within the state. The salary base increases are detailed in the chart below.

AREA	EFFECTIVE DATE		
	12/31/2019	12/31/2020	12/31/2021
NYC Large Employers (11 or more employees)	At present, additional changes are not expected	At present, additional changes are not expected	At present, additional changes are not expected
NYC Small Employers (10 or fewer employees)	\$1,125.00 (\$58,500 annually)	At present, additional changes are not expected	At present, additional changes are not expected
Nassau, Suffolk, Westchester Counties	\$975 (\$50,700 annually)	\$1,050 (\$54,600 annually)	\$1,125.00 (\$58,500 annually)
Employers in All other NYS Counties	\$885 (\$46,020 annually)	\$937.50 (\$48,750 annually)	At present, additional changes are not expected

Notifications

Except for employers in the hospitality industry, a wage increase does not require prior written notice as long as the previous rate of pay and new rate of pay are shown on the next wage statement. Please contact your Payroll Specialist about this option.

Under the New York Wage Theft Prevention Act, any other changes to an employee's wages or information on the wage notice received at hire requires employers to provide a new wage notice. Such notices must be provided seven (7) days in advance of the change.

New Hire Wage Theft Prevention Act Notices

To comply with the Wage Theft Prevention Act employers in New York must provide Wage Notices to employees upon hire. It is important to remember that employers must also provide wage notices whenever the information on the original wage notice changes.

For example, a change in pay date or how the employee is paid, hourly or weekly, would trigger a new notice. Written notice should be given seven (7) days in advance of such a change. Except for employers in the hospitality industry, a wage increase does not require prior written notice as long as the previous rate of pay and new rate of pay are shown on the next wage statement. Employers in the hospitality industry currently need to provide a new notice every time a wage rate changes.

Although employers are not required to use the [state provided forms](#), doing so ensures compliance and also may be beneficial since the form also must be provided in the employee's primary language (if the NYDOL offers a translation) regardless of whether the person understands English.

- **For downloadable forms in multiple languages visit the NYS DOL website:**
<https://www.labor.ny.gov/formsdocs/wp/ellsformsandpublications.shtm>

Employers planning to change the wage or status of a New York employee from non-exempt to exempt or vice versa should provide a Wage Notice.

- Employers should have employees sign the forms and then retain the signed acknowledgment for six (6) years. A copy should also be provided to the employee.

If you have any questions, please contact your Engage HR Consultant.