

One Minute Memo®



Employee Contribution Amount Released for New York Paid Family Leave

By Gena B. Usenheimer and Meredith-Anne Berger

Seyfarth Synopsis: The New York State Department of Financial Services has set the amount of the maximum weekly employee contribution at 0.126% of an employee's average weekly wage or the statewide average weekly wage, whichever is less.

As expected, in a [decision](#) dated June 1, 2017, the Superintendent of the New York Department of Financial Services ("DFS") has set the weekly employee contribution amount and the premium rate for Paid Family Leave at 0.126% of an employee's average weekly wage, or the statewide average weekly wage, whichever is less, for 2018.

Consistent with DFS' final regulations adopted on May 31, 2017, the Superintendent has set the amount for the employee contribution to be a percentage of employee income. For those earning less than the statewide average weekly wage, the contribution will be a percentage of the income they earn. For those earning more, the contribution amount will be capped at 0.126% of the statewide average weekly wage. Beginning in 2018, the rate will be published by September 1 each year for the following January 1.

The statewide average weekly wage is reported by the New York State Department of Labor on July 1 of each year pursuant to Workers' Compensation Law § 2(16). The statewide average weekly wage for [2016](#) is \$1,305.92.

Employers should note that they are permitted, but not required, to begin collecting premiums on July 1, 2017, for the 2018 benefit year in advance of the law's January 1, 2018 effective date pursuant to the proposed regulations. See our earlier alerts on the [law](#), [proposed regulations](#), and [revised proposed regulations](#) for more information. We will continue to track further developments with New York's Paid Family Leave Law as they occur.

If you would like further information, please contact [Gena B. Usenheimer](#) at gusenheimer@seyfarth.com or [Meredith-Anne Berger](#) at mberger@seyfarth.com.

www.seyfarth.com

Attorney Advertising. This One Minute Memo is a periodical publication of Seyfarth Shaw LLP and should not be construed as legal advice or a legal opinion on any specific facts or circumstances. The contents are intended for general information purposes only, and you are urged to consult a lawyer concerning your own situation and any specific legal questions you may have. Any tax information or written tax advice contained herein (including any attachments) is not intended to be and cannot be used by any taxpayer for the purpose of avoiding tax penalties that may be imposed on the taxpayer. (The foregoing legend has been affixed pursuant to U.S. Treasury Regulations governing tax practice.)

Seyfarth Shaw LLP One Minute Memo® | June 2, 2017

©2017 Seyfarth Shaw LLP. All rights reserved. "Seyfarth Shaw" refers to Seyfarth Shaw LLP (an Illinois limited liability partnership). Prior results do not guarantee a similar outcome.