



Five Steps to Ensure Your Business is Ready for Paid Family Leave on January 1

On **January 1, 2018**, Paid Family Leave launches in New York State. Preparing your business is easy. Read on for important information on the many resources available to you at ny.gov/PaidFamilyLeave, as well as a checklist of **next steps to take by December 31, 2017**.

ABOUT PAID FAMILY LEAVE

New York State Paid Family Leave provides you with a structure to help employees care for their families. Studies show that paid leave increases workplace morale and employee retention, which cuts hiring costs.

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.

Paid Family Leave is provided through an insurance policy **fully funded by employee payroll contributions**. Employees will apply for leave through your insurance carrier, who will pay their benefit directly to them.

ELIGIBILITY

Full-time employees – employees with a regular work schedule of 20 or more hours per week – are eligible after 26 consecutive weeks of employment.

Part-time employees – employees with a regular work schedule of less than 20 hours per week – are eligible after working 175 days, which do not need to be consecutive.

EMPLOYER RESOURCES

There are a number of resources to help you implement Paid Family Leave, including:

- **Employer checklist:** The checklist included in this letter outlines the steps you should take to prepare for Paid Family Leave.
- **Paid Family Leave website:** Visit ny.gov/PaidFamilyLeave for downloadable resources, Paid Family Leave request and waiver forms, and other tools for businesses.
- **Paid Family Leave Helpline (844) 337-6303:** Call for information and answers to your Paid Family Leave questions.

BUSINESS CHECKLIST: PREPARING FOR PAID FAMILY LEAVE

Here are the steps to take before December 31, 2017.

1. ☐ 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).
- 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 PFL section of the Department of Financial Services website at www.dfs.ny.gov/PFL.

2. ☐ 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 and other resources are available in the Employer section of ny.gov/PaidFamilyLeave.

3. ☐ 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. The current contribution rate is 0.126% of an employee's weekly wage, up to 0.126% of the annual New York State Average Weekly Wage (SAWW). In 2018, the maximum weekly employee contribution is approximately \$1.65 per week or \$85.56 annually. For example, in 2018 if an employee earns \$32,000 a year (\$615 a week), the employee will pay 78 cents per week. Employees who earn above the SAWW of \$67,907 a year (\$1305.92 a week) will pay the maximum contribution of \$1.65 per week.
- To assist you, a deduction calculator is available at ny.gov/PFLcalculator.

4. ☐ 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.

5. ☐ Post an employee notice.

- Your insurance carrier will provide you with a notice to employees (Form PFL-120) 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

■ Website: ny.gov/PaidFamilyLeave ■ Helpline: (844) 337-6303



**Paid Family
Leave**