

CLIENT ALERT

New York Paid Family Leave Law Deductions Should Start July 1, 2017

The PFL program – both the amount of leave time available and the monetary benefits – will be phased in beginning on January 1, 2018. However, prudent employers will <u>ACT NOW</u> to ensure they are on the same page with their payroll providers regarding deductions from payroll that should commence on July 1, 2017.

As you've probably heard, New York has enacted a paid family leave ("PFL") law that will be the most comprehensive in the country. The PFL program will apply to *all* employers, including small businesses, with very limited exceptions. The law will be implemented over a period of four years, beginning on January 1, 2018 and will ultimately provide 12 weeks of *paid* leave for an employee: (1) to provide care, including physical or psychological care, for the employee's family member (child, parent, grandchild, grandparent, spouse, domestic partner) who suffers from a serious health condition; (2) to bond with the employee's child during the first twelve months after the child's birth, or the first twelve months after the placement of the child for adoption or foster care with the employee; or (3) because of any qualifying exigency as interpreted under the Family and Medical Leave Act, arising out of the fact that the spouse, domestic partner, child or parent of the employee is on active duty or has been notified of an impending call or order to active duty in the armed forces of the United States. Notably, an employee may not take PFL for their own serious health condition. PFL only begins after birth of a child. It is not available for pre-natal conditions.

Employers will bear *none* of the cost of PFL. Employers will be required to purchase a PFL insurance policy or self-insure. The premium of the policy will be paid for by your employees through small payroll deductions. Employers should start taking deductions from employees' paychecks on July 1, 2017.

Employers should contact their current New York Disability Benefits carrier to learn more about adding PFL coverage.

There are many intricacies to this new law, and we look forward to assisting you in your implementation. Should you wish for more information, on the particulars on the PFL, please click <u>here</u>.

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If you have questions or would like additional information, please contact Amanda M. Fugazy (afugazy@egsllp.com), Paul P. Rooney (prooney@egsllp.com), Valerie J. Bluth (vbluth@egsllp.com), Orla J. McCabe (omccabe@egsllp.com) or the primary EGS attorney with whom you work.

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