



Legislative Notification!

The New York State budget for FY 2017 was just passed by the Senate/Assembly which included: NYS minimum wage increase and a NY Paid Family Leave benefit.

Summary below:

Minimum Wage

After much debate, the Legislature adopted a new minimum wage for New York State that includes different scheduled increases for different parts of the state. The schedule is as follows:

For **New York City, large employers** (having eleven or more employees):

- \$11.00 per hour on and after December 31, 2016
- \$13.00 per hour on and after December 31, 2017
- \$15.00 per hour on and after December 31, 2018

For **New York City, small employers** (having ten or less employees):

- \$10.50 per hour on and after December 31, 2016
- \$12.00 per hour on and after December 31, 2017
- \$13.50 per hour on and after December 31, 2018
- \$15.00 per hour on and after December 31, 2019

For the downstate counties of **Nassau, Suffolk, and Westchester**:

- \$10.00 per hour on and after December 31, 2016
- \$11.00 per hour on and after December 31, 2017
- \$12.00 per hour on and after December 31, 2018
- \$13.00 per hour on and after December 31, 2019

- \$14.00 per hour on and after December 31, 2020
- \$15.00 per hour on and after December 31, 2021

For the *remainder of the State* (Other than counties of Nassau, Suffolk, and Westchester):

- \$9.70 on and after December 31, 2016,
- \$10.40 on and after December 31, 2017
- \$11.10 on and after December 31, 2018
- \$11.80 on and after December 31, 2019
- \$12.50 on and after December 31, 2020
- Thereafter, on each following December 31st, a wage will be published by the Commissioner of Labor determined by the Director of the Budget in consultation with the Commissioner, totaling no more than fifteen dollars, where the percentage increase shall be based on the state of the economy and the appropriateness of subsequent minimum wage increases.

In addition, the wage for an employee who is a food service worker receiving tips shall be a cash wage of at least two-thirds of the minimum wage rates in effect for each region.

Paid Family Leave

New York State has adopted the most expansive paid family leave policy of any state *effective January 2018*. Employees will be eligible for paid time off to care for the birth or adoption of a child, serious health condition of a family member, or a qualified military exigency as interpreted under the Family and Medical Leave Act.

- The act applies to all private sector employers of one or more employees;
- Leave may be taken to participate in providing care, including physical or psychological care for a family member, 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; or for a qualified military exigency as defined by the FMLA;
- Family member is defined as child, parent, grandparent, grandchild, spouse, or domestic partner;
- Employees must be employed for 26 weeks before they are eligible for paid family leave; (175 days for part-time employees);
- Employees returning from leave are entitled to return to their same or comparable position without loss of benefits they would have accrued otherwise;
- Employers must continue the employees' health insurance during leave as if they were not on leave;
- Benefit amounts shall be:
 - January 1, 2018; up to 8 weeks of leave at 50% of the employees average weekly wage to a maximum of 50% of the state's average weekly wage;
 - January 1, 2019; up to 10 weeks of leave at 55% of the employees average weekly wage to a maximum of 55% of the state's average weekly wage;
 - January 1, 2020; up to 10 weeks of leave at 60% of the employees average weekly wage to a maximum of 60% of the state's average weekly wage;
 - January 1, 2020 and thereafter; up to 12 weeks of leave at 67% of the employees average weekly wage to a maximum of 67% of the state's average weekly wage.

- Income replacement will be paid for by an insurance policy the employer will have to have on behalf of the employee, ***the full cost of which will be paid by payroll contributions of the employee;***
- When practicable, the employee should provide 30-days' notice of intent to take paid family leave;
- An employer may offer an employee who has accrued but unused vacation/personal leave to choose whether to charge all or part of the paid family leave time to this unused time and receive full salary.

As more information becomes available regarding these two significant developments, we will keep you informed.