New York Publishes 2023 Paid Family Leave Rates

New York state has published Paid Family Leave (PFL) updates for 2023 on its website for the program. The employee contribution rate will decrease, while the maximum weekly PFL benefit will increase as a result of an increase in the state average weekly wage.

Increase in Maximum Weekly Benefit Cap

Employee compensation for PFL is 67% of the employee's average weekly wage, up to a cap of 67% of the current New York state average weekly wage. The 2023 state average weekly wage has been calculated at \$1,688.19, making the maximum weekly benefit **\$1,131.08**. This is \$62.72 more than the maximum weekly benefit for 2022.

Decrease in Employee Contribution Rate

In 2023, employees will contribute 0.455% of their gross wages per pay period to the PFL program, down from 0.511% in 2022. The maximum annual contribution for 2023 is \$399.43 (\$24.28 less than in 2022).

Paid Family and Medical Leave

New York's <u>paid family leave law</u> provides eligible employees with up to 12 weeks of PFL, funded entirely through employee paycheck deductions. PFL coverage is typically added as a rider on an employer's existing disability insurance policy. Leave may be used for:

- Caring for a family member with a serious health condition;
- Birth, adoption or fostering a child;
- A spouse's, domestic partner's, child's or parent's active military duty or impending active military duty; or
- Certain COVID-19-related reasons.

"Family member" is defined expansively and includes siblings as of Jan. 1, 2023.

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Highlights

- Weekly employee pay for New York state PFL leave will be capped at \$1,131.08 in 2023, an increase from 2022.
- The 2023 employee contribution rate for PFL will be 0.455% of gross wages, a decrease from 2022.
- The maximum annual employee contribution for PFL in 2023 will be reduced to \$399.43.

For 2023, employee contributions are decreased while compensation is increased.

