

New York To Increase Salary Threshold for White Collar Wage Payment Exemptions

On Sept. 15, 2023, New York <u>amended</u> its Labor Code to increase the salary threshold executive, administrative and professional (EAP) employees need to meet in order to qualify for the state's wage payment exemptions. Beginning March 13, 2024, EAP employees who earn less than \$1,300 per week will be subject to the same wage payment protections as other nonexempt employees.

Frequency of Payment

Clerical and other workers in New York—including EAP employees—must be paid at least semimonthly, on regular paydays that are designated in advice by their employers.

Direct Deposit

State law requires employers to obtain advance, written consent before directly paying or depositing employee net wages or salary in a bank or other financial institution. Beginning March 13, 2024, EAP employees are exempt from the advance, written consent request if they make at least \$1,300 per week.

Benefits and Wage Supplements

Under state law "benefits or wage supplements" include expense reimbursements, health, welfare and retirement benefits and vacation, separation or holiday pay. Employees must receive these benefits within 30 days of when they accrue unless they qualify for an exemption, such as the EAP exemption mentioned above.

Impact on Employers

Employers in New York should review their employee's classification status and determine which exempt employees will be affected when the salary threshold increases from \$900 to \$1,300 per week. Employers must be ready to comply with state wage payment requirements for nonexempt employees.

Provided to you by Employco USA, Inc.

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Important Dates

Sept. 15, 2023

New York amended the threshold requirement for the state's EAP wage payment exemptions.

March 13, 2024

Effective date for the new EAP wage payment exemption salary threshold requirement.

Beginning March 13,
2024, EAP employees
in New York will need
to earn at least
\$1,300 per week to be
exempt from the
state's wage
payment
requirements.