

COMPLIANCE ALERT

Changes to New York Paid Leave Benefits Coming in 2025

November 12, 2024

Action Required:

- **New York employers and plan sponsors should review all relevant policies including insurance, benefits, leave of absence, paid time off (including all applicable plan documents, SPDs and benefits policies) now to ensure they are compliant with the updated benefit and contribution changes for 2025.**

Several big changes will go into effect for New York paid leave benefits in 2025, including new prenatal leave benefits beginning on January 1, 2025, and a sunset of COVID-19 paid sick leave benefits, effective July 31, 2025. Below is a summary of each of these developments and information about the 2025 benefit and contribution rate changes for New York paid family leave benefits.

What Should Employers and Plan Sponsors Do Next?

New York employers and plan sponsors should review their insurance, benefits, leave of absence, paid time off and other relevant policies (including applicable plan documents, SPDs and benefits policies) now to ensure that they remain compliant with the updated contribution structure and benefit changes set for 2025. ■

↓ **Full Explanation Follows** ↓

Changes to New York Paid Leave Benefits Coming in 2025

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New York's New Paid Prenatal Leave Benefit

Beginning January 1, 2025, New York will be the first state in the nation to require employers to provide 20 hours of paid prenatal personal leave ("PPPL") during any 52-week period for healthcare needs of pregnant employees. This new leave entitlement, which comes as a result of two amendments to the New York State Paid Sick Leave Law ([here](#) and [here](#)), will be available to employees *in addition* to the New York sick leave that is currently available under this law. Accordingly, employees who are eligible for PPPL will be entitled to use up to a total of either 60 hours (or 76 hours, depending on employer size) of combined PPPL and Paid Sick Leave in a given year.

How Much Pay for Prenatal Leave will be Available? How will it Be Paid Out?

The PPPL must be paid at the employee's regular rate of pay, or the applicable minimum wage under New York State law, whichever is greater. Further, PPPL benefits must be paid in hourly increments. Additionally, like New York Paid Sick Leave, unused PPPL does not need to be paid out upon an employee's termination or separation from employment.

What are the Reasons to Take New York Paid Prenatal Leave?

The PPPL can be used by employees to receive healthcare services related to their pregnancy, including physical exams, medical procedures, monitoring and testing, and discussions with a healthcare provider related to pregnancy.

Sunset of COVID-19 Sick Leave Benefit

The special New York COVID-19 Paid Sick Leave Law's benefits will officially end on July 31, 2025. After this sunset date, employees will no longer have access to this COVID-19-specific sick leave but will still be able to use other types of paid leave for COVID-19-related reasons.

As background, in response to the COVID-19 pandemic, New York State enacted a law requiring covered employers to provide paid sick leave and job-related protections to their employees subject to a COVID-19 mandatory or precautionary order of quarantine or isolation. As a result of the official declaration of the end of the COVID-19 public health emergency in 2023, the [FY 2025 New York State Executive Budget](#) established an end date for the COVID-19 Paid Sick Leave Law of July 31, 2025.

What Should Employers and Plan Sponsors Do Next?

Through July 31, 2025, covered employers must continue to provide job protected COVID-19 paid sick leave for up to three orders of quarantine or isolation per qualifying employee. However, it should be noted that while New York's COVID-19-specific Paid Sick Leave Law is expiring on July 31, 2025, eligible employees will still be able to use available New York State and/or New York City Paid Sick Leave for permitted uses related to COVID-19 after that date.

New York Paid Family Leave Rate Changes Set for 2025

The New York Department of Financial Services (DFS) recently [announced](#) the 2025 benefit and contribution rates for New York Paid Family Leave (NYPFL) benefits.

For 2025, the maximum weekly benefit paid out to employees will increase to \$1,177.32, which is 67% of the New York State Average Weekly Wage (NYSAWW) of \$1,757.19. This is \$26.16 more than the maximum weekly benefit paid out in 2024 (\$1,151.16).

Employees will contribute 0.388% of their gross wages, with a maximum employee annual contribution limit of \$354.53. This is \$21.28 more than the maximum employee contribution in 2024 (\$333.25).

Premium contributions should be withheld from an employee's gross wages until the annual contribution cap is reached, and if this occurs prior to the end of the calendar year, then the employee is not responsible for making any additional contributions for the remainder of the calendar year.

Below are some examples of how the NYPFL benefit will pay out based on different weekly wages:

Paid Family Leave Benefits Examples	
Worker's Average Weekly Wage	Weekly PFL Benefit*
\$600	\$402
\$1,000	\$670
\$2,000	\$1,177.32*

* the weekly PFL benefit is capped at \$1,177.32 (67% of the NYSAWW).

How Many Weeks of New York Paid Family Leave Can be Taken in 2025?

In 2025, employees will be entitled to take up to 12 weeks of NYPFL time. This time can be taken all at once, or in increments of full days.

What are the Reasons to Take New York Paid Family Leave?

Eligible employees are entitled to paid leave from work for:

- Providing care, including physical or psychological care, to their family members due to a family member's serious health condition;
- Bonding with their newborn children during the first year of the child's life, or in the case of adoption or foster care placement, for the first year after the placement of a child with the employee; and
- Any qualifying reason provided for under the federal Family and Medical Leave Act arising from the employee's child, parent, spouse, or domestic partner being on active military duty, or being notified of an impending call or order to active military duty.

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**If you have any additional questions,
please call your Corporate Synergies
Account Manager or 866.CSG.1719.**