# legal update NEW YORK

## New York PFL Contribution and Benefit Rates to Increase in 2025

New York state has published paid family leave (PFL) updates for 2025 on its <u>website</u> for the program. Both the employee contribution rate and the maximum weekly benefit for the program will see increases over the rates for 2024. New York PFL is fully funded by employees through payroll deductions. Employers are not required to contribute.

#### 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 2025 state average weekly wage has been calculated as \$1,757.19, making the maximum weekly benefit for 2025 **\$1,177.32**. This is \$26.16 more than the maximum weekly benefit for 2024.

#### **Increase in Employee Contribution Rate**

In 2025, employees will contribute **0.388% of their gross wages** per pay period to the PFL program, up from 0.373% in 2024. The maximum annual contribution for 2025 is **\$354.53**.

#### Paid Family and Medical Leave

New York's <u>PFL law</u> provides eligible employees with up to 12 weeks of PFL. 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 of 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.

Provided to you by Jordan River Advisors, LLC

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### Highlights

- The weekly employee benefit for New York state PFL leave will be capped at \$1,177.32 in 2025, an increase from 2024.
- The 2025 employee contribution rate for PFL will be 0.388% of gross wages, also increased from 2024.
- The maximum annual employee contribution for PFL in 2025 will be \$354.53.

For 2025, employee PFL contributions and benefits will increase.