



the work and family legal center

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New York Paid Family Leave: Comparing the Budget Proposals

Multiple paid family leave budget proposals are currently pending: one from Governor Cuomo, which was included without any significant changes in the Senate one-house budget bill, and another in the Assembly one-house budget bill. What would each proposal mean for New Yorkers?

All of these proposals would . . .

- Allow workers to take leave to bond with a new child (including children newly adopted or placed for foster care) or care for a seriously ill relative.
- Provide up to 12 weeks of leave.
- Cover workers regardless of the size of their employer.
- Protect workers' jobs while they are on leave.
- Pay workers' family leave benefits out of an insurance system that would be 100% funded by small *employee* contributions, with *zero* employer contribution to the cost of benefits.
- Use the same formula for the maximum weekly benefit. Under the proposals, the maximum weekly benefit is set as a percentage of the statewide average weekly wage. In 2014, the statewide average weekly wage was \$1,266.44.
 - Under both the Governor's and Assembly's proposals, the maximum benefit would initially be capped at 50% of the statewide average weekly wage and increase over 4 years to a cap of 67% (approximately 2/3) of the statewide average weekly wage.
- Build off the existing Temporary Disability Insurance (TDI) system.*

However, the proposals differ as to . . .

- Wage replacement rate (the percentage of his or her average weekly wage a worker would receive each week from the insurance system while on family leave):
 - The Governor's proposal would start at 50% of a worker's wages and increase over 4 years to 67% (approximately 2/3) of a worker's wages.
 - The Assembly's proposal would provide 2/3 of a worker's wages from the start of the program.
- Whether they would raise benefits for TDI. Currently, workers on TDI receive 50% of their wages up to a cap of \$170/week (an amount that has not increased since 1989).
 - The Governor's proposal would keep the current TDI benefit level.
 - The Assembly's proposal would make TDI benefits the same as paid family leave benefits (2/3 of a worker's wage up to the caps described above).
- Effective date:
 - The Governor's proposal would go into effect on January 1, 2018.
 - The Assembly's proposal would go into effect on January 1, 2017.

* Under existing law, most New York employers are already required to provide TDI, which gives cash benefits to employees unable to work due to off-the-job injuries or illnesses, including pregnancy-related disabilities and recovery from childbirth.