

New York Paid Family Leave Benefits and Employee Contributions Set to Increase January 1, 2021

Article By:

Nancy Gunzenhauser Popper

As we approach the last quarter of 2020 and the business community begins to plan ahead for 2021, New York employers should be aware of [the changes](#) coming to the New York Paid Family Leave (“NYPFL”) program. On January 1, 2021, the amount of employee contributions, the number of weeks of leave and benefits, and the amount of weekly benefits granted under the program are scheduled to increase. This will be the last of [three annual increases](#) in weekly benefits.

The NYPFL program, which took effect in 2018, provides partially-paid, job-protected leave for bonding with a new baby, caring for a seriously ill family member, and matters related to a family member who is deployed abroad on active military duty. The length of permissible leave began at eight weeks, is currently at 10 weeks, and will increase to 12 weeks of leave beginning on and after January 1, 2021.

The maximum amount of benefits an employee is entitled to receive while on leave is based on the employee’s average weekly wage (“AWW”) and the State’s average weekly wage (“SAWW”). Effective January 1, 2021, the maximum amount of benefits will be calculated based on 67% of an employee’s AWW, up to a cap set at 67% of the SAWW. The SAWW for 2021 is \$1,450.17. The maximum weekly benefit in 2021 will be \$971.61 per week.

To ensure sufficient funds to cover the increased benefits, the employee payroll contribution toward NYPFL also will be adjusted on January 1, 2021 to 0.511% of an employee’s gross wages each pay period, capped at a maximum annual contribution of \$385.34.

The following chart sets forth the current status of, and coming changes to, the NYPFL program.

Date	Length of Paid Leave	Calculation of Benefit Payments	State Average Weekly Wage	Maximum V Benefit Pay
Within a 52-Week				
Period				
January 1, 2020	Up to 10 weeks	60% of AWW, not to exceed 60% of the SAWW	\$1,401.17	\$840.70

January 1, 2021	Up to 12 weeks	67% of AWW, not to exceed 67% of the SAWW	\$1450.17	\$971.61
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Employers should review their policies and leave procedures to ensure employees are being offered the appropriate leaves of absence. Further, employers should review their payroll practices to reflect the new employee contributions.

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