

Realty Advisory Board on Labor Relations, Incorporated

292 Madison Avenue, New York, N.Y. 10017

Telephone:(212) 889-4100 Facsimile:(212) 889-4105 Web: www.rabolr.com



Officers

JOHN SANTORA
Chairman
JOHN J. WHALEN
Vice-President
ERIC RUDIN
Vice President
JONATHAN RESNICK
Treasurer
ANDREW HOFFMAN
Secretary

Directors

Residential Division

MITCHELL BARRY
Century Operating Corporation
MICHAEL BERENSON
Akan Associates, Inc.
JEFFREY BRODSKY
Related Management Corp.
RITA C. CHU
East 67th Street Tenants Corp.
NEIL DAVDOWITZ
Orsid Realty Corp.
CHARLES DOREGO
Glenwood Management
MITCHELL GELBERG
Rose Associates, Inc.
PAUL HERMAN
Brown, Harris, Stevens
ANDREW HOFFMAN
Hoffman Management
JEFFREY MANOCHERAN
Manocherian Brothers
BRIAN MCCARTHY
Samson Management Corp.
JAMES V. O'CONNOR
Douglas Elliman Property Management
MARY ANN ROTHMAN
Council of NY Cooperatives
JONATHAN S. WEST
Greenthal Realty Partners, LLP
MICHAEL WOLFE
Midboro Management, Inc.
DANIEL WOLLMAN
Gumley-Haft Real Estate Management
DANIEL WURTZEL
FirstService Residential
LAURIE ZUCKER
Manhattan Skyline Management Corp.

Directors

Commercial Division

ASHER BERNSTEIN
Bernstein Real Estate
BLAISE CRESCIULLO
Rockefeller Center Development Corp.
WILLIAM DACUNTO
Silverstein Properties, Inc.
MATTHEW DUTHIE
Jones Lang LaSalle
LOUIS ESPOSITO
The Durst Organization, Inc.
KATE HEMMERDINGER GOODMAN
Ato Properties & Management, Inc.
THOMAS HILL
Boston Properties, Inc.
DANIEL KINDBERGH
Brookfield Properties, Inc.
THOMAS LLOYD
CBRE, Inc.
THOMAS MADDEN
Tishman Speyer Properties
BART MC DADE
Newmark Grubb Knight Frank
SCOTT MURRAY
Hines Interest Limited Partnership
EDWARD V. PICCINICH
S.L. Green Realty Corp.
JONATHAN RESNICK
Jack Resnick & Sons, Inc.
JOHN SANTORA
Cushman & Wakefield, Inc.
GERALD SCHUMM
RFR Realty LLC
GASTON SILVA
Vornado Realty Trust
JOHN J. WHALEN
Fisher Brothers

Director-at-Large

ERIC RUDIN
Rudin Management Co., Inc.

Chairmen Emeritus

EDWARD F. GALLAHER
William A. White/Grubb & Ellis, Inc.
CHARLES C. QUINN
Grubb & Ellis Management Services, Inc.
EDWARD A. RIGUARDI
Jones Lang LaSalle

President Emeritus

JAMES F. BERG
Realty Advisory Board on Labor Relations, Inc.

BULLETIN

June 29, 2017

No. 146 (General)

To: Representatives of Memberships in the
Realty Advisory Board on Labor Relations, Inc.

SUBJ: New York Paid Family Leave

Dear Member:

On January 1, 2018, New York State's paid family leave benefit is scheduled to take effect; a brief summary of relevant provisions is set forth below. As always, this bulletin is not intended to be a comprehensive assessment of the impact the new law may have upon any Member, and Members are encouraged to contact an RAB attorney to discuss specific concerns with implementing the new law.

If your employees are represented by Unions, it is advisable to discuss with the Union representatives the requirement for the payroll deduction. The RAB has discussed this with representatives of Local 32BJ and Local 94 and they have agreed to the deduction starting on January 1, 2018. In addition, Employers need to comply with notice to the employees of this deduction.

The New York Paid Family Leave law requires employers to obtain insurance coverage to pay benefits to employees taking qualified family leave. These benefits are administered in a manner similar to short term disability insurance coverage. New York State will impose fines and penalties on employers who fail to comply with this obligation. Members should note, however, that benefits under the paid family leave law are not Employer-provided paid time off; the insurance coverage each employer obtains pays the employee for the leave benefit, not the employer directly.

A. Paid Family Leave Funded By Payroll Deduction

Members should note that the required insurance coverage is to be fully funded by employee payroll deductions, not by employer contribution. Deductions may begin as early as July 1, 2017, but must begin no later than January 1, 2018, in the amount of .126% of an employee's weekly wage (capped at the amount of the New York State average weekly wage, presently: \$1,305.92). For example,

Howard I. Rothschild
President

Proskauer Rose LLP
General Counsel

“other” employees receiving the contractual minimum wage and employed in a “Class A” building under the current RAB Apartment Building Agreement will receive a weekly deduction of \$1.197 (.126% X \$950.03) per week for the remaining contract term, once the deduction is implemented. The same calculation is applied to each employee covered under all of the RAB contracts (all of whom are likely covered by the New York Paid Family Leave law).

B. Qualifying Events

Members’ employees will be eligible to take paid family leave for any number of qualifying reasons, which do not include the employees’ own illness or injury (these events are covered by workers’ compensation or disability insurance). Qualifying events include:

- Participation in care (physical or psychological) for an employee’s family member occasioned by the family member’s serious health condition;
- The birth or placement of an employee’s child during the first 52 weeks after the child’s birth, adoption, or placement in foster care with the eligible employee; or
- Qualifying exigencies arising when an employee’s family member is called to active military service.

C. Employee Responsibilities and Employer Obligations

When an eligible employee requests family leave for a qualifying event, they must provide written notice to the employer. Employees should provide 30 days’ prior written notice of a foreseeable leave event, but notice should be given as soon as is practicable in all cases. Once notice is given, employees will submit claims directly to the family leave insurance provider for benefits.

During the term of an employee’s qualifying family leave, employers:

- Are required to maintain the employee’s health benefits;
- Cannot discriminate or retaliate against employees for exercising their right to family leave; and
- Must be reinstated to their position or a comparable position (with comparable pay and similar terms and conditions of employment) at the conclusion of the leave.

Family Leave under the new law can, on notice to the employee, be deemed to run concurrently with leave for a qualifying event under the federal Family and Medical Leave Act and/or personal leave provided under the applicable RAB collective bargaining agreement.

D. Paid Family Leave Benefits.

After a few years of phased implementation, on January 1, 2021, the benefits available to eligible employees will reach a maximum of 67% of an employee’s average weekly wage (capped at 67% of the New York State average weekly wage), for a leave period not to exceed 12 weeks. In the intervening years, the benefits will be available as follows:

Date	Weeks of Leave	Benefit Rate
January 1, 2018	8 Weeks	50% (of Employee Average Weekly Wage)
January 1, 2019	10 Weeks	55% (of Employee Average Weekly Wage)
January 1, 2020	10 Weeks	60% (of Employee Average Weekly Wage)
January 1, 2021	12 Weeks	67% (of Employee Average Weekly Wage)
