

# Cooley

## New York Minimum Wage, Minimum Exempt Salary and Paid Family Leave Updates

November 15, 2018

As the calendar turns from 2018 to 2019, New York's minimum wage and minimum exempt salary threshold are set to increase in accordance with their respective implementation schedules. Similarly, the New York Paid Family Leave Act's maximum leave entitlements and pay rate will increase on January 1, 2019.

### Minimum wage

**What will be the minimum wage in New York in 2019?** The applicable minimum wage varies based on the employee's geographic location. The following table summarizes the new minimum wages, by location, effective December 31, 2018:

Location	2019 minimum wage
New York City (11+ employees)	\$15.00
New York City (10 or fewer employees)	\$13.50
Nassau, Suffolk, Westchester Counties	\$12.00
Rest of State	\$11.10

In New York City, employer size is based on the number of employees employed at all worksites during the current or prior calendar year.

### Minimum exempt salary

**What is the minimum exempt salary in 2019?** Like the minimum wage, the applicable minimum exempt salary threshold is increasing effective December 31, 2018, and determined by the employee's geographic location:

Location	2019 minimum exempt salary
New York City (11+ employees)	\$1,125.00 per week (\$58,500 per year)

Location	2019 minimum exempt salary
New York City (10 or fewer employees)	\$1,012.50 per week (\$52,650 per year)
Nassau, Suffolk, Westchester Counties	\$900.00 per week (\$46,800 per year)
Rest of State	\$832 per week (\$43,264 per year)

The above minimum exempt salaries only apply to the salary basis tests for the administrative and executive overtime exemptions under New York law. Other overtime exemptions under New York law are subject to the lower federal minimum exempt salary of \$455 per week.

## New York Paid Family Leave

**How is New York Paid Family Leave changing in 2019?** Most notably, eligible employees will be eligible for up to 10 weeks of Paid Family Leave; an increase of 2 weeks from the previous year. In addition, the maximum rate of pay of leave has increased from \$652.96 to \$746.41. Finally, employers can require an increased annual employee payroll contribution of up to \$107.64. The following table summarizes the changes from 2018 to 2019:

Effective date	Maximum annual paid family leave entitlement	Rate of pay during leave	Maximum annual employee payroll contribution
January 1, 2018	8 Weeks	50% of employee's average weekly wage, up to \$652.96	Up to \$85.28
<b>January 1, 2019</b>	<b>10 Weeks</b>	<b>55% of employee's average weekly wage, up to \$746.41</b>	<b>Up to \$107.64</b>

[Read our alert from December 14, 2017](#), for more background on the New York Paid Family Leave law.

## Action items

In anticipation of the new minimum wage, employers in New York State and New York City should prepare to increase the hourly rate of any minimum wage workers, including temporary employees and interns. With respect to exempt executive and administrative employees, employers should determine whether such employees meet the increased minimum exempt salary and, if not, consider either increasing their salaries or converting them to nonexempt status. Finally, employers in New York should ensure that their Paid Family Leave policy and payroll reflect the newest maximum entitlements and allowances permitted under the law. Please feel free to contact us with any questions about the changes to the law or how to comply.

This content is provided for general informational purposes only, and your access or use of the content does not create an

attorney-client relationship between you or your organization and Cooley LLP, Cooley (UK) LLP, or any other affiliated practice or entity (collectively referred to as "Cooley"). By accessing this content, you agree that the information provided does not constitute legal or other professional advice. This content is not a substitute for obtaining legal advice from a qualified attorney licensed in your jurisdiction and you should not act or refrain from acting based on this content. This content may be changed without notice. It is not guaranteed to be complete, correct or up to date, and it may not reflect the most current legal developments. Prior results do not guarantee a similar outcome. Do not send any confidential information to Cooley, as we do not have any duty to keep any information you provide to us confidential. This content may be considered **Attorney Advertising** and is subject to our [legal notices](#).

---

## Key Contacts

Frederick Baron Palo Alto	fbaron@cooley.com +1 650 843 5020
Ann Bevitt London	abevitt@cooley.com +44 (0) 20 7556 4264
Wendy Brenner Palo Alto	brennerwj@cooley.com +1 650 843 5371
Leslie Cancel San Francisco	lcancel@cooley.com +1 415 693 2175
Helennane Connolly Reston	hconnolly@cooley.com +1 703 456 8685
Joshua Mates San Francisco	jmates@cooley.com +1 415 693 2084
Gerard O'Shea New York	goshea@cooley.com +1 212 479 6704
Michael Sheetz Boston	msheetz@cooley.com +1 617 937 2330
Lois Voelz Palo Alto	lvoelz@cooley.com +1 650 843 5058

---

This information is a general description of the law; it is not intended to provide specific legal advice nor is it intended to create an attorney-client relationship with Cooley LLP. Before taking any action on this information you should seek professional counsel.

Copyright © 2023 Cooley LLP, 3175 Hanover Street, Palo Alto, CA 94304; Cooley (UK) LLP, 22 Bishopsgate, London, UK EC2N 4BQ. Permission is granted to make and redistribute, without charge, copies of this entire document provided that such copies are complete and unaltered and identify Cooley LLP as the author. All other rights reserved.