



Another Year of Change for Employers

What You Need to Know About 2014

Another year, another set of regulations for employers and human resources professionals to learn and implement in their workplace.

With 2014 on the horizon, Portnoy, Messinger, Pearl & Associates, Inc. wants to update you on what's changing in the New Year, so your company and staff can be in full compliance under the latest federal, state and local workplace laws and regulations.

Minimum Wage Increase

New York State's minimum wage is set to increase three times through 2015. The first increase will be implemented for the start of 2014, but it actually goes into effect on **December 31, 2013**. That means employers in New York State will have to begin paying their minimum-wage employees at the rate of \$8.00 per hour – a .75 cents increase from the current rate of \$7.25 per hour – beginning this New Year's Eve.

Also beginning December 31, 2013, New York employers **must pay exempt and executive administrative employees at least \$600.00 per week - \$31,200 on annualized basis** - inclusive of board, lodging and other allowances. **The minimum salary increases to \$656.26 per week (\$34,125.52 annually)** on December 31, 2014.

Obamacare Employer Mandate Pushed Back

The ObamaCare "employer mandate" is a requirement that all businesses with over 50 full-time equivalent (FTE) employees provide health insurance for their full-time employees, or pay a per month "Employer Shared Responsibility Payment" on their federal tax return. The mandate, originally set to begin in 2014, will be delayed until 2015.

Tax Credit for Employers Hiring Post-9/11 Veterans

On November 11, 2013, Governor Andrew M. Cuomo announced the beginning of a promotional effort by New York State's Division of Veterans' Affairs to highlight a \$74 million tax credit encouraging employers to hire New York's post-9/11 veterans who are currently not employed. New York State has allocated \$74 million in tax credits that can be applied against the taxes of any private business that hires

a post 9/11 veteran after January 1, 2014 and before January 1, 2017 to a full time position of at least 35 hours per week for at least a year.

NYS Allows Employers to Make Payroll Deductions for Inadvertent Overpayment of Wages

Section 193 of the New York Labor Law prohibits an employer's ability to make deductions from its employees' paychecks with very limited exceptions. In November 2012, the law was amended to allow employers to make payroll deductions for the inadvertent overpayment of wages, provided the deductions were made in compliance with regulations. The long-awaited final regulations became effective October 9, 2013.

Unemployment Insurance Reform for Claimants

On March 29, 2013, Governor Cuomo signed legislation reforming the Unemployment Insurance system. Beginning October 6, 2014, the New York State minimum weekly benefit rate will increase from \$64 to \$100, and the maximum benefit will increase from \$405 to \$420 and will continue to increase each year thereafter. Also, if an employee's dismissal or severance pay is greater than the maximum benefit rate, they will no longer be able to collect benefits.

New York City Changes

In 2014, two new workplace regulations will go into effect in **New York City**:

- On January 30, 2014, New York City employers will be required to provide reasonable accommodations (such as bathroom breaks) for an employee's pregnancy, childbirth or related medical condition under an amendment to the New York City Human Rights Law.
- On April 1, 2014, The Earned Sick Time Act grants many employees in New York City up to 40 hours of paid sick leave per year. For employees not eligible for paid leave, the Act provides for up to 40 hours of unpaid sick leave per year.

Federal and State Departments of Labor have been energized and have a new sense of urgency for enforcing their areas of oversight. PMP can work with you to help reduce vulnerability to the litigation that can result from an audit, and to help ensure that your HR policies and procedures are in full compliance, as we have done for 50 years.

Please do not hesitate to contact PMP for an expanded review on the matter above, or any other questions and issues concerning workplace compliance.



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