



B U L L E T I N

February 26, 2008

Contact: *Richard Kaefer, Field Services Manager*
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R.C. 2165

To the Members of the Board

**Re: New York Workers Compensation
Payroll Limitation Law
Payroll Limitation as of July 1, 2008**

Legislation enacted in 1998 established limitations on the payroll to be used in the calculation of workers compensation premiums for the construction industry beginning on October 1, 1999. Details of this law were published by the Rating Board in R.C. Bulletin 1917, dated August 3, 1999.

The payroll caps changed annually through October 1, 2002, at which time the law set the payroll limitation amount at a maximum of either \$750 per week, or the weekly wage upon which the maximum benefit is based. Because the statutory maximum weekly workers compensation benefit remained at \$400 per week through June 30, 2007, the \$750 payroll limitation remained in effect. On July 1, 2007, the statutory maximum was raised to \$500 per week, but the maximum payroll limitation still remained at \$750 per week since \$750 is effectively the average weekly wage upon which the \$500 is based.

On July 1, 2008, the maximum weekly workers compensation benefit will increase to \$550 per week in accordance with the provisions of the 2007 Workers Compensation Reform Act. This change in the maximum weekly benefit will result in a corresponding increase in the payroll limitation amount.

Consequently, please be advised that, for policies with effective dates on and after July 1, 2008, the payroll limitation cap will be \$825 per week.

When subsequent changes in the workers compensation maximum weekly benefit occur, we will notify you of the appropriate payroll limitation.

Very truly yours,

Monte Almer

President

MH/ab