

<p><b>What is the Update?</b></p>	<p><b>Update (05/01/24):</b> The MN Paid Family and Medical Leave (PFML) bill will provide employees up to 20 weeks of PFML per year <b>beginning January 1, 2026</b>. The program will be administered by the Family and Medical Benefit Insurance Division (the "Division") of the Department of Employment and Economic Development (DEED). All employees are covered with the exception of seasonal employees, federal employees, self-employed individuals, and independent contractors. An employer may offer a private plan, so long as that plan provides benefits and protections that are the same as or greater than those provided under the public plan, and is approved by the Division. A private plan can be self-insured or insured through a carrier. Any employer with an approved private plan will not be required to pay tax premiums under the statute.</p> <p>Eligible employees will be able to take up to 12 weeks of leave for their own serious health condition, and up to 12 weeks leave for other leave types - family care, bonding, qualifying exigency, and safety leave (time off because of domestic abuse, sexual assault, or stalking of the employee or a family member to seek medical attention, victim services, counseling, relocation, or legal advice). However, an employee may only take up to 20 weeks combined of paid leave in a benefit year, not to exceed the 12 weeks allotted for the different leave types. Leave under the MN PFML will run concurrently with federal FMLA when the employee is eligible for leave under both laws, and leave is taken for a qualifying reason.</p> <p>The maximum weekly benefit amount an employee will receive will be the state's average weekly wage for that year (for reference, the average weekly wage in 2022 was \$1,287). Thus, the PFML benefit amount will be determined closer to the law roll out. An eligible employee can file an application for benefits and establish a benefit account with the new Division up to 60 days before leave is taken with supporting certification, and the Division will determine eligibility for PFML. Benefits will be paid from state funds. An employer may choose to designate certain benefits such as salary continuation, vacation leave, sick leave, or other paid time off as a supplemental benefit payment, which can be used to "top off" the amount of PFML benefits received.</p> <p>On the same day that the program will go live, employers and employees will also begin contributions to a state fund that will support the program.</p> <ul style="list-style-type: none"> <li>- For an employer participating in <i>both</i> family and medical leave benefits programs, the premium will be 0.7%. The rate may increase January 2027, but not exceed 1.2%.</li> <li>- For an employer participating in only the medical benefit program with an approved private plan for the family benefit program, the premium will be 0.4%.</li> <li>- For an employer participating in only the family benefit program with an approved private plan for the medical program, the premium will be 0.3%.</li> <li>- Employers must cover at least 50% of the premiums. Employees must pay the remaining portion, if any, of premiums that are not covered by the employer.</li> </ul> <p>The first wage detail reports will be due on October 31, 2024, based on the wages paid between July 1, 2024, and September 30, 2024. Employers will soon be able to register for a Paid Leave Only account through the state's Unemployment Insurance program online system. Instructions will be available once the Paid Leave Only accounts are available, this summer. If your organization is already covered under the Unemployment Insurance program, you do not need to register separately for a Paid Leave Only account as these accounts will be converted automatically into a joint account. Additionally, there currently is a <a href="#">website</a> available on wage detail reporting, which will soon also have resources on file uploads, adjustments, and submissions.</p>
<p><b>Handbook/Policy Updates</b></p>	<p>Updates to your company handbook may need to be made if you include Minnesota state-specific leave benefits information.</p>
<p><b>Notice Requirements</b></p>	<p>Employers will be required to provide a notice to new hires and annually thereafter. The notice is not released by MN at this time. We will provide this to our clients, once published.</p>
<p><b>Larkin Action</b></p>	<p>The Larkin Company will consider any law changes carefully, and update our internal resources and processes, as well as our employee leave information packets, if necessary.</p>
<p><b>Further Company Considerations</b></p>	<p>N/A</p>
<p><b>Resources</b></p>	<p><a href="#">MNPPL Changes (05/19/23 newsletter)</a>  <a href="#">Amendments to MNPPL - Bill SF3035</a>  <a href="#">MN PFML Bill - HF2</a></p>

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