

What is the Update?

Update (05/01/24): The MN Paid Leave Law (PLL) bill will provide employees up to 20 weeks of PLL per year **beginning January 1, 2026**. 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.

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 PLL will run concurrently with federal FMLA when the employee is eligible for leave under both laws, and leave is taken for a qualifying reason.

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 PLL 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 PLL. 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 PLL benefits received.

Update (06/07/24): There is now a [FAQs page](#) available for employers to address key dates, benefits, premiums, and more. Recently, an amendment to the MN PLL has passed that allows for the payroll tax to be adjusted annually, as well as further clarification on how benefits are calculated, the appeals process for claims, and intermittent leave, among other things. Premium rates will be adjusted annually, with the maximum contribution rate for an employee capped at the Old-Age, Survivors, and Disability Insurance (OASDI) limit. The first premium payments will be due on or before April 30, 2026, only applied to wages earned between January 1, 2026, and March 31, 2026. Employees and employers will have 30 calendar days from the date of a decision on a PLL claim to request a review of the decision, after which a hearing will be held and reconsideration can be requested. Once a decision is made on reconsideration, then the employer or individual filing can appeal the decision to the Minnesota Court of Appeals. Benefits under the program will be calculated based on the average hours the employee has worked during the last two quarters prior to their application for benefits, with the amount based on a percentage of their average weekly wage. Employers will need to post a notice of employee's rights under the law within the workplace as of November 1, 2025. This notice is currently in development, and we will share it with you once published. Intermittent leave is permitted in the minimum increment provided under employer policy for other forms of leave (e.g., PTO, sick, etc.), even if the increment is less than 1 day. If taking leave intermittently, employees cannot apply for benefits until they have accumulated at least 8 hours of leave. Additionally, a covered employee's initial paid week will occur only after seven leave days are taken, whether consecutive or not. Lastly, the definition of family member has been expanded to include the child of a domestic partner.

Update (10/18/24): As a reminder, 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 are now able to register for a Paid Leave Only account through the state's Unemployment Insurance program online system. Instructions are available through the [employer resource toolkit](#) which covers FAQs, program information, and a How-To on Wage Detail Reporting that can help you get started. 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.

Update (02/21/25): Minnesota Paid Leave has confirmed the total premium rate in 2026 will be 0.88%, which includes both family leave and medical leave. Contributions may be split 50% between employer and employee, though employers may choose to contribute up to 100% of the premiums. Small employers who employ 30 or fewer people and the average employee wage is less than 150% of the statewide average weekly wage will pay a reduced premium rate of 0.22%, while employees contribute the same maximum rate as a large employer (0.44%). As a reminder, payroll deductions begin on January 1, 2026, the same day the program goes live, and the first premium payments will be due by April 30, 2026. Lastly, there is a new [tool calculator](#) available to assist with estimated costs under the program.

Handbook/Policy Updates

Updates to your company handbook may need to be made if you include Minnesota state-specific leave benefits information.

Larkin Minnesota - Leave Highlights	
Notice Requirements	Prior to benefits becoming available, employers will need to post a notice within the workplace as of November 1, 2025. Employers will also 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.
Larkin Action	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.
Further Company Considerations	N/A
Resources	MN PLL Bill - HF 2 Amendments to MN PLL - HF 5363 MN PLL Employer Resource Toolkit Premium Calculator

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