



PAID FAMILY AND MEDICAL LEAVE MANDATE FACTS

SF 2 (Sen. Mann); HF 2 (Rep. Richardson)

The proposal would create a new, mandatory 24 week paid leave program for all Minnesota employers and employees. The program would begin taking effect in 2025, with implementation starting in 2023.

- **Every employer in the state regardless of size is mandated to participate.** “Covered Employment” can include extraterritorial employment outside the state of Minnesota so long as some work is performed in Minnesota and the employer is a Minnesota employer.
- **Two main types of leave are required to be available.** Leave may be taken in increments:
 - 1) **Paid medical leave** – up to 12 weeks of paid leave for a serious health condition or pregnancy;
 - 2) **Paid family leave** – up to 12 weeks of paid leave to care for a newborn, adopted or foster child; safety leave; or to care for a family member who has a serious health condition.
- **The leave can be stacked together for a total of 24 weeks.** An additional up to 12 weeks is available for a military exigency. This is in addition to existing unpaid federal Family and Medical Leave Act requirements in some instances. This is also in addition to Sick and Safe Time ordinances enacted in Minneapolis, St. Paul, Bloomington and Duluth. The state is also pursuing an up-to-80 hours paid sick and safe time mandate in SF 34 (Sen. Pappas) and HF 19 (Rep. L. Olson).
- **Employers will be charged a .7% payroll tax to fund the program.** There is no cap on the payroll tax, meaning if costs for the program exceed the amount collected, the state will raise the tax. Employers may “charge back” employees for up to 50% of the payroll tax, but must do so under proportion, contract, or wage requirements.
- **Family members are defined as:** spouse, domestic partner, a spouse's parent, a child and a child's spouse; a parent and a parent's spouse; a sibling and a sibling's spouse; a grandparent, a grandchild, or a spouse of a grandparent or grandchild; any other individual who is related by blood or affinity and whose association with the applicant is equivalent of a family relationship; a child of a sibling of the applicant; a sibling of the parents of the applicant; and a child-in-law, a parent-in-law, a sibling-in-law, and a grandparent-in-law; a stepchild; biological, adopted, or foster child of the applicant; or a child for whom the applicant is standing or stood in loco parentis; a step grandchild or biological adopted, or foster grandchild of the applicant; a stepparent; biological, adoptive, or foster parent of the applicant; a legal guardian; or an individual who stood in loco parentis to the applicant; a step grandparent or biological, adoptive, or foster grandparent of the applicant.
- **Employees will be paid a partial wage replacement** based on their income on a progressive scale. For lower income workers, the wage replacement rate will be starting at 90%.
- **Employees have reinstatement rights** – meaning their jobs must be held for them upon their return from leave.
- **Employers may opt out of the mandate if they provide a leave program at least as generous as the state required mandate.** Employers must submit their plans to the state for approval for opting out. Employers who opt out will be assessed a fee.
- **Employees are eligible 90 days after they are hired.**