

Minnesota Paid Leave

Beginning **January 1, 2026**, Minnesota's new Paid Family and Medical Leave (PFML) program will go into effect. Administered by the Department of Employment and Economic Development (DEED), this statewide insurance program will provide wage replacement to eligible workers who take time off for qualifying family or medical reasons.

Program Overview

The PFML program provides Minnesota workers with partial wage replacement for up to:

- **12 weeks** of medical leave for a serious health condition
- **12 weeks** of family leave for bonding with a new child, caring for a family member, safety leave, or certain military-related needs
- **Up to 20 weeks total per benefit year**, if an employee experiences both a qualifying medical and family event.

Coverage applies to nearly all employees in Minnesota, including part-time, temporary, and seasonal workers. Self-employed individuals and independent contractors may choose to opt in.

Funding and Premiums

- The **initial premium rate for 2026** is **0.88 percent** of employee taxable wages.
- This rate is split **50/50 between employers and employees** (unless the employer chooses to cover the full amount).
- Small employers may qualify for a reduced rate if they employ 30 or fewer people and the average employee wage is less than 150% of the statewide average weekly wage. The small employer contribution rate is 0.22%. The employee contribution rate stays at 0.44%.
- Employers may not deduct more than half of the premium from employee wages.
- Payroll deductions begin **January 1, 2026**, and the first quarterly premium payments are due **April 30, 2026**.

Benefit Amounts and Eligibility

- Wage replacement ranges from **55 percent to 90 percent** of an employee's average weekly wage, up to a cap equal to the **state average weekly wage** (as of now this is \$1,423).
- To qualify:
 - Employees must have a qualifying event, such as:
 - Your own serious health condition
 - Welcoming a child
 - Caring for a loved one
 - Supporting a family member's active duty
 - Responding to safety concerns like domestic violence, sexual assault or stalking

- Employees must have earned at least **5.3 percent of the state average annual wage (\$3,900)** during their base period (previous 12 months before qualifying event).
- A healthcare or service provider confirms the need for leave. They must fill out a form confirming the need for leave and the qualifying event.
- The employee hasn't already used up the leave for the year (12 weeks of Medical Leave, 12 weeks of Family Leave, or a combined maximum of 20 weeks total for both types of leave).
- The **benefit year** begins on the first day leave is taken—not the calendar year.

Employer Responsibilities

- **Register** for a Paid Leave employer account through the existing Unemployment Insurance system once DEED opens registration. The Paid Leave division will use the existing Unemployment Insurance (UI) system to collect quarterly wage detail reports for Paid Leave.
 - For organizations with employees who are not covered by the Unemployment Insurance program, employers will need to setup up a Paid Leave Only account through the UI website:
 - **These include religious organizations, non-profit organizations, and agricultural employers**
 - **This also includes Officers of corporations who have elected out of MN Unemployment coverage**
- **Leave Administration:** All employers need to designate one or more Paid Leave Administrators to manage your account with Paid Leave at www.uimn.org.
 - Role of administrators:
 - Review Paid Leave applications and eligibility determinations for your employees
 - Submit a Paid Leave Equivalent Plan Substitution Request
 - Once an Administrator is designated, they will receive an email with instructions on accessing the Paid Leave Administrator account on the Minnesota Paid Leave website.
- **Post and distribute employee notices by December 1, 2025**
 - Sample notice and poster can be found here: <https://mn.gov/deed/paidleave/employers/posters-notice/>
- **Begin payroll deductions and employer contributions** January 1, 2026.
- **Submit quarterly wage detail reports and premium payments** starting April 30, 2026.
- **Consider a private plan** option. Employers may apply for an exemption if they provide a private plan with benefits equal to or greater than those required under the state program. Private plans must be approved by the state and submitted for review to the state **by November 15, 2025**.

Resources:

- MN Paid Leave website: <https://mn.gov/deed/paidleave/>
- MN Unemployment Insurance: <https://www.uimn.org/employers/index.jsp>
- FAQs: <https://mn.gov/deed/paidleave/employers/faq/>