





EY Payroll NewsFlash

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Minnesota pushes closer to adopting paid family and medical insurance program

Minnesota is considering legislation under [HF 1200/SF 1205](#) that would create a state family and medical leave insurance (PFML) program funded 50% by employers and employees. Employers would have the option of providing PFML insurance through a private plan. The program would be administered by the Minnesota Department of Employment and Economic Development.

The requirement for employer premium payments and quarterly wage reporting would begin January 1, 2025. For calendar year 2025, premium rates up to the federal Social Security wage base would be as follows:

- For employers participating in both family and medical benefit programs, 0.6%
- For an employer participating in only the medical benefit program and with an approved private plan for the family benefit program, 0.486%
- For an employer participating in only the family benefit program and with an approved private plan for the medical benefit program, 0.114%

The premium rates are adjusted annually starting in 2026.

Covered employees could receive up to 12 weeks of benefits for a serious health condition or pregnancy and up to 12 weeks of benefits for bonding, safety leave, or family care. Covered employees may receive up to 12 weeks of benefits in a single benefit year for leave related to one or more qualifying exigencies.

Minnesota Governor Tim Waltz [announced](#) earlier this year that he included a recommendation for a state PFML program in his 2022 supplemental [budget proposal](#) "to ensure Minnesotans do not have to make the unfair choice between a paycheck and taking time off work to care for a new baby or a family member with a serious illness."

Contact us for more information

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