Minnesota Lawmakers Consider Paid Family Leave Bill

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Earlier this month, a group of Minnesota DFL State Representatives introduced a bill that would create a paid family leave program for employees working for private employers. The bill, H.F. No. 2963, would allow eligible employees to receive up to 12 weeks of paid leave each year under the following circumstances:

- Serious health condition of the employee that renders him or her unable to perform the function of his or her position with the employer;
- Prenatal care or incapacity due to pregnancy, childbirth or related health condition;
- Serious health condition of the employee's family member; or
- Birth or adoption of a child, or for a foster parent, the placement of a foster child.

Among other things, the employee would be eligible for these benefits so long as he or she has "total wage credits in the [employee's] four quarter base period of at least 5.3 percent of the state's average annual wage rounded down to the next lower $100." The eligibility requirements are not tied to length of service or hours worked in a calendar year in comparison to the federal Family and Medical Leave Act. Additionally, under H.F. No. 2963, the state would create a department that would be responsible for administering this paid leave unless the employer creates an option that equals the program under this bill. The employee would file an application with the state and the state would determine whether the employee qualified for paid leave and distribute the payments. The amount the employee would receive for this paid leave of absence would be dependent upon his or her weekly wages. Specifically, the bill proposes the payments be as follows:

- The employee will receive a weekly benefit amount equal to 80 percent of the person's weekly wage if he or she has a weekly wage that is 50 percent or less than the state's average weekly wage;
- The employee will receive a weekly benefit amount equal to 66 percent of the person's weekly wage if he or she has a weekly wage that is higher than 50 percent and does not exceed 100 percent of the state's average weekly wage; and
- The employee will receive a weekly benefit amount equal to 55 percent of the person's weekly wage if he or she has a weekly wage that is higher than 100 percent of the state's average weekly wage.

The program would be an insurance reimbursement program and the employers would be required to do a payroll tax contribution. The tax rate would be adjusted annually and the initial proposed rate is 0.27 percent.

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