



Paid Leave Updates – December 2024

Implementation Update

Minnesota will be the 13th state to launch a statewide Paid Leave program. We're committed to collaborating with stakeholders to build an intuitive and accessible Paid Leave program that works for businesses, individuals, healthcare providers, and all Minnesotans.

Equivalent plans for Paid Leave

This month, Paid Leave published initial guidance for employers who may wish to meet their responsibilities under Minnesota Paid Leave by providing employees an equivalent plan that meets or exceeds the coverage offered by the state.

This initial guidance outlines key information including the criteria that will be used to determine if a plan is equivalent with the state offering. Employers who wish to provide an equivalent plan to their workforce will have the option to either purchase a plan from a private carrier or create their own self-insured plan.

Employers can begin to apply with the state for an equivalent plan exemption in the spring of 2025. Additional information will be available in the coming months, including a calculator to estimate employer and employee costs under Minnesota Paid Leave, and details on how to apply.

See the initial guidance on our website below, and watch this newsletter for additional updates in the new year.

[Equivalent plans for Paid Leave](#)

Rulemaking update

Last month, Paid Leave published our final proposed rules to build out the paid family and medical leave program. This month, we published additional information on our website, including a summary of the public comments we received on our initial draft rules, and answers to several frequently asked questions about our final proposed rules. These questions are included in this email, below, and can be found on our website.

Public comments are still open on the final proposed rules and will be collected through the Office of Administrative Hearings through January 3, 2025, at 4:30 p.m. CST.

To read more and learn how to share your feedback on the rules, visit our website.

[Paid Leave rulemaking](#)

Hiring Spotlight

The Minnesota Paid Leave team is growing fast. We are a start-up in state government and are actively hiring for leaders to deliver on the promises of the legislation.

- [Senior Manager of Appeals](#) (Apply by January 2, 2025)
- [PMO Manager](#) (Apply by January 9, 2025)

Consider joining our team! You can always find our latest open roles on [our website](#).

Top Questions We're Hearing

- **Why is there a rule about reporting additional income if claimants should not be working while on leave?**

The proposed rule about reporting additional income is related to the statute requiring that the paid leave benefit be prorated when an employee "works hours for wages." This would be relevant if, for instance, a claimant is working multiple jobs and taking leave from only one. Through the application, applicants will be asked if they are receiving additional income during their leave in the form of pay from another job, unemployment

benefits, social security benefits, or workers compensation. This rule clarifies that claimants must notify the department if they start to receive additional, previously unreported income during their leave.

- **What do the Paid Leave rules mean by "processing a payment?"**

Processing a payment involves the department approving the payment and notifying the bank. The department is still determining the types of payments that will be issued. Given payments may occur in multiple formats, it may take longer to issue and mail a physical check than to deliver an electronic payment.

- **How will the department determine eligibility for remote workers?**

The Department is relying on the language under 268B.01.Subd15 Covered Employment to clarify remote worker coverage:

1. "Covered employment" means performing services of whatever nature, unlimited by the relationship of master and servant as known to the common law, or any other legal relationship performed for wages or under any contract calling for the performance of services, written or oral, express or implied.
2. For the purposes of this chapter, covered employment means an employee's entire employment during a calendar year if:
 1. 50 percent or more of the employment during the calendar year is performed in Minnesota; or
 2. 50 percent or more of the employment during the calendar year is not performed in Minnesota or any other single state within the United States, or United States territory or foreign nation, but some of the employment is performed in Minnesota and the employee's residence is in Minnesota during 50 percent or more of the calendar year.

For More Information

You can find more information for employers, individuals, and families on our [webpage here](#).

For more information on UI and Paid Leave employer accounts, visit [the Unemployment Insurance website](#).

Still Have Questions?

If you have a Paid Leave question that isn't yet answered on our website, [please submit your question here](#).

If you need help with your Paid Leave Only or Joint UI/Paid Leave account, contact the [Unemployment Insurance employer helpline](#).