



## At a Glance: The Minnesota Paid Family and Medical Leave Act of 2016

*As introduced, SF2558/HF2963 creates an insurance program providing Minnesota workers with up to 12 weeks of partial wage replacement during medical leave and 12 weeks during family leave. 80% to 55% of wages (based on income) would be replaced up to a maximum of the average weekly wage, or around \$1,000 per week. Everyone contributes – and everyone benefits.*

- **Minnesota's paid leave program will provide meaningful financial security to working families.** Most Minnesota workers will receive two-thirds or more of their average weekly wage while taking PFML, with higher replacement rates for low wage workers. Keeping new mothers in the workforce can save the state money on MFIP and unemployment compensation.
- **Minnesota's paid leave program will make it easier for parents—both mothers and fathers—to care for new children.** PFML will enhance the health of infants and children and allow working parents to bond with a newborn or newly adopted child without undue financial hardship. Only about 13% of workers currently have access to paid family leave.
- **Minnesota's paid leave program will provide crucial support during serious illness.** PFML will be available to care for oneself, child, spouse, parent, grandchild, grandparent, sibling, or the parent of a spouse when seriously ill. Seventy-five percent of middle-aged Americans expect their family will provide their long term care. This program will help seniors age in place, keep caregivers in the workforce and save the state money.
- **Workers will be protected when they take paid family and medical leave.** Workers will have job protection during their leave, ensuring they can use their benefits without fear of discrimination or job loss.
- **Costs will be shared by employees and employers.** The weekly benefit in PFML will be financed through a .27% employee payroll contribution on the first \$118,500 of income matched by employers. That amounts to around \$89 per year for the median Minnesota worker or about \$1.70 per week. The employer's investment would be the same.
- **Minnesota's paid leave program will save employers money.** Research from other states like California suggests that PFML will benefit business by lowering turnover, boosting productivity, and enhancing employee morale. PFML can help to offset existing costs. Employers that want to offer their own comparable PFML program can opt-out of the state plan with approval of the state and consent of a majority of their workers.
- **Minnesota's paid leave program will help to make small businesses more competitive.** PFML will ensure that all workers can receive paid family and medical leave regardless of the size of their company. Small businesses often cannot afford to provide the same paid leave benefits as larger companies, and lose valuable workers as a result. Research on existing state PFML programs shows small businesses are even more likely to report positive impacts after program implementation.
- **Paid family and medical leave programs have proven successful in other states.** California, New Jersey, and Rhode Island have successfully implemented similar PFML programs. These programs are substantially benefitting workers and businesses in those three states.
- **Paid family and medical leave programs are supported by voters across the political spectrum.** A poll of likely 2016 voters found that 94% of Democrats, 80% of Independents and 65% of Republicans agreed that paid time off to care for family members is good for our nation.

# PAID FAMILY & MEDICAL LEAVE: WHAT'S COVERED?

Pregnancy

MEDICAL

Your own serious health condition

New child bonding

FAMILY

Caring for a family member with a serious health condition

