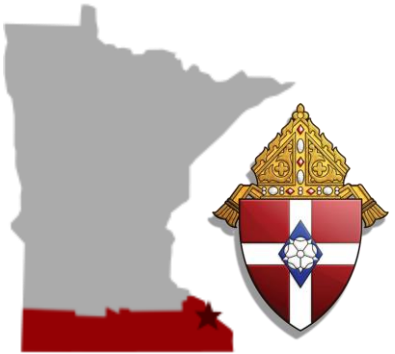
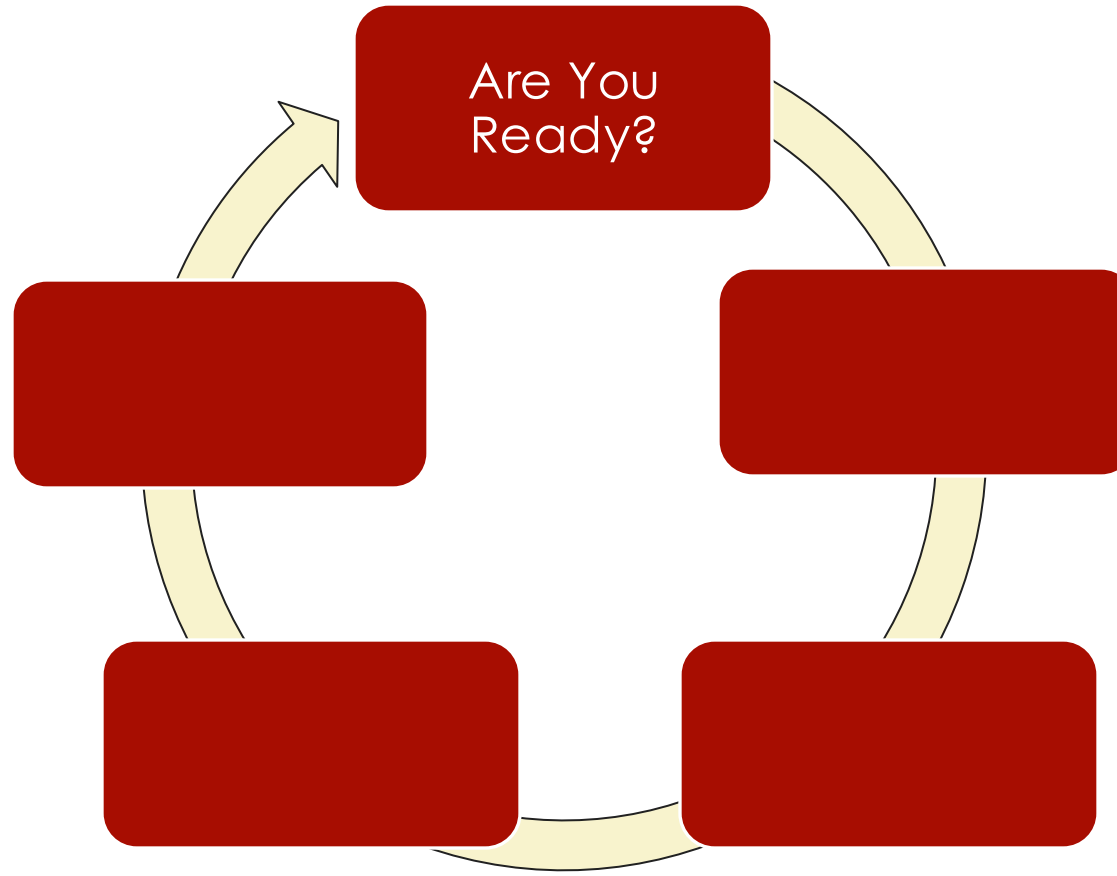


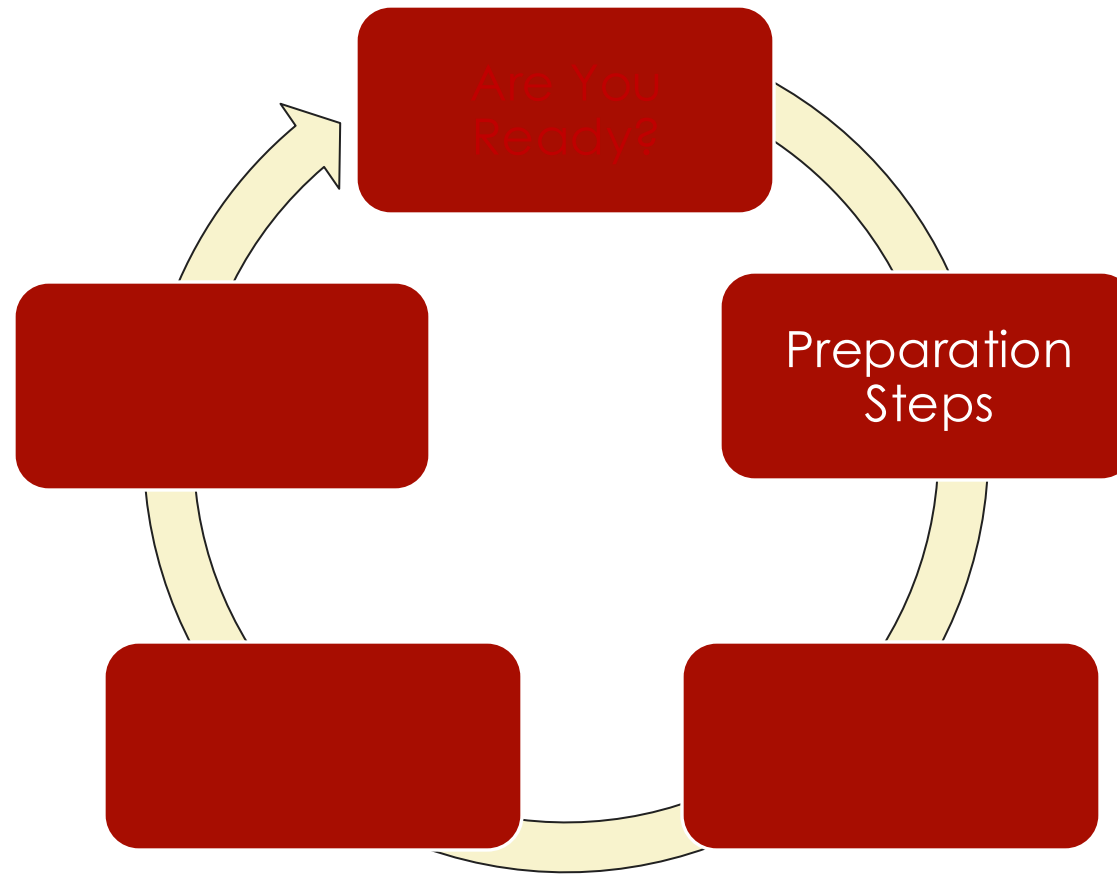
MN Paid Leave Update



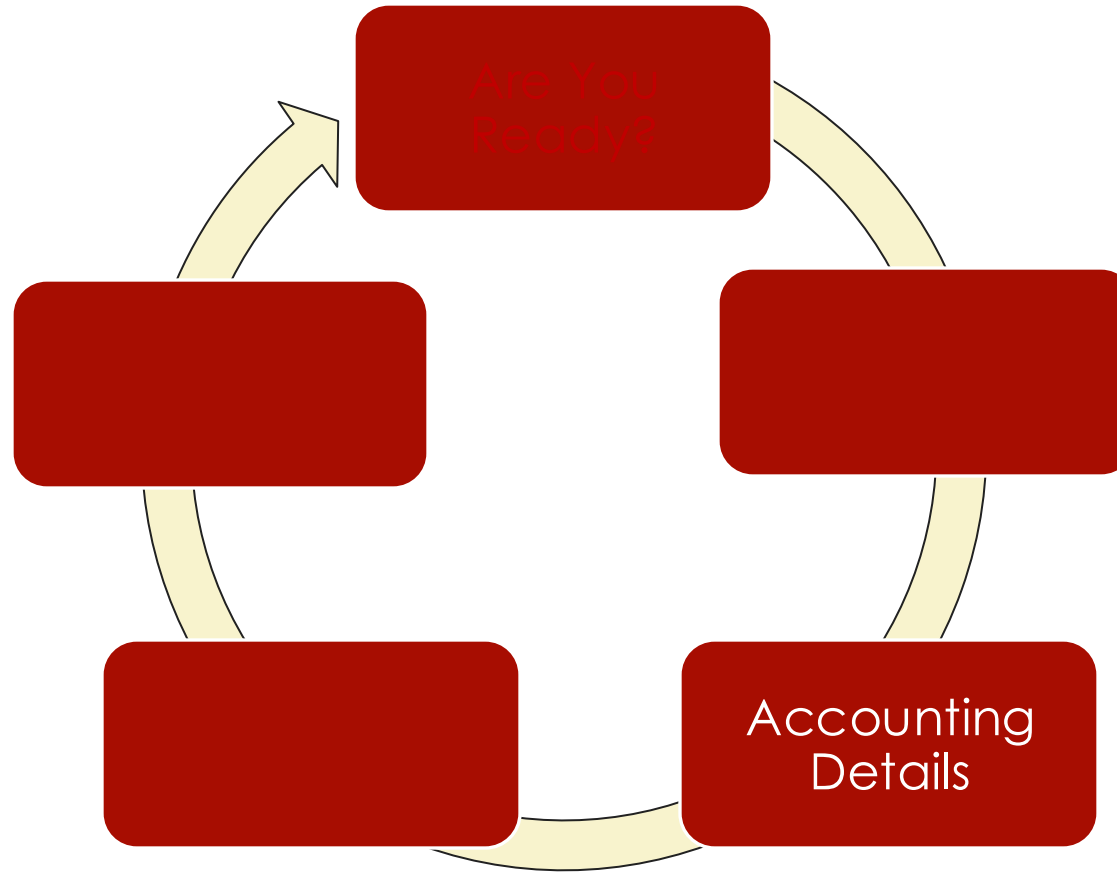
Today's Agenda.....



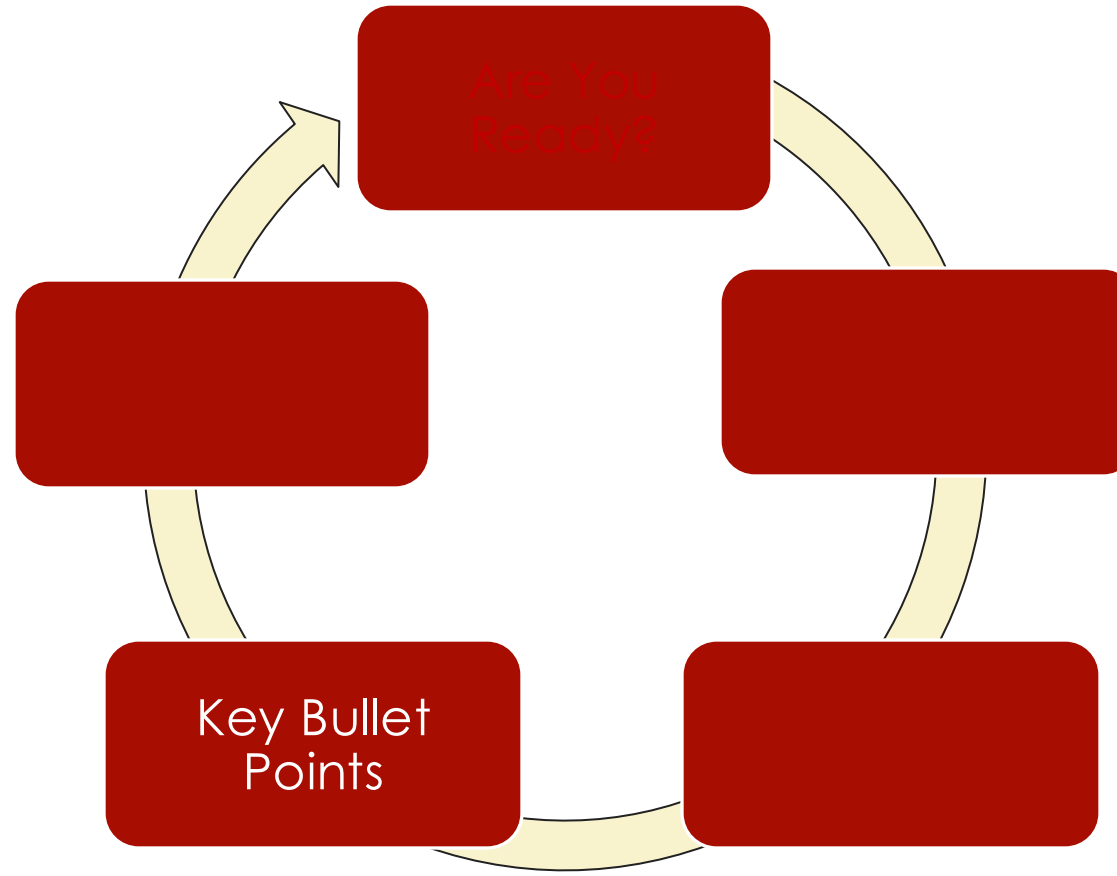
Today's Agenda.....



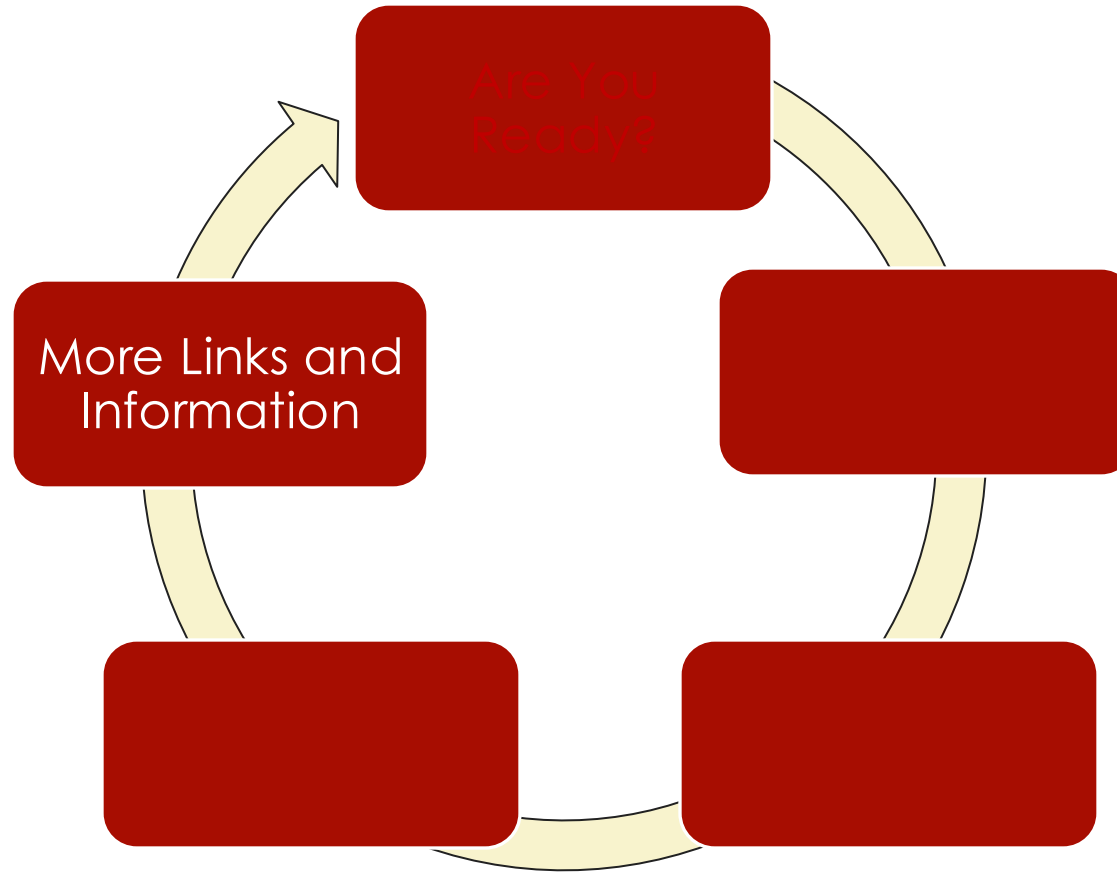
Today's Agenda.....



Today's Agenda.....



Today's Agenda.....



Are you Ready???



It is coming soon!!

Let's review the timeline.



Things we need to do now!

Step One: Set up your accounts.

- You will need two accounts
 - One employer account with the MN Unemployment/Paid Leave System
 - One Administrator Account at the Paid Leave Portal

	Joint Unemployment Insurance – Paid Leave employer system	Paid Leave website
What do we call this account?	“Employer account”	“Paid Leave Administrator account”
Submit wage detail	✓	✗
Pay UI taxes	✓	✗
Pay Paid Leave premiums	✓	✗
Review UI applications and eligibility determinations for your employees	✓	✗
Designate a Paid Leave Administrator	✓	✗
Review Paid Leave applications and eligibility determinations for your employees	✗	✓
Submit a Paid Leave Equivalent Plan Substitution Request	✗	✓

Setting up the Paid Leave Administrator Account

Log into the MN Unemployment/Paid Leave site we are currently using to report employee wages quarterly.

On the home page, select Paid Leave.

[Paid Leave](#) - View information about Paid leave, request exemptions, and refer users for the Paid Leave program.

On the next page, select Designate Paid Leave administrator.

Paid Leave home

* Indicates required field

[Paid Leave information](#) - Information about the Paid Leave program.

[Paid Leave requests](#) - Request an exemption from Paid Leave.

[Designate Paid Leave administrator](#) - Designate one or more Paid Leave Administrators to access the Paid Leave Administrator website.

Setting up the Paid Leave administrator (continued)

Designate Paid Leave administrator

* Indicates required field

To designate a Paid Leave Administrator: leave the fields blank to display a list of all active users on this account, and then select "Search." Select the User ID of the person you want to designate as a Paid Leave Administrator. On the next page, select "Update." Check the box to add the Paid Leave Administrator role for this user and select "Save." Your Paid Leave Administrator will receive an email with instructions on how to set up a separate account on the Paid Leave website.

You can repeat this process with additional users if you want to designate multiple Paid Leave administrators. If a person you want to designate as a Paid Leave Administrator is not listed, you must first add them as a user on your employer account.

User ID

User first name

User last name

UI system role

Reset

Search

Paid Leave Administrator...

Select the person you wish to add from the list of users. If the person is not listed, you will need to add them as a user.

Employer Information

Employer account number: -----Employer name: **Example Employer**

Designate Paid Leave administrator

* Indicates required field

To designate a Paid Leave Administrator: leave the fields blank to display a list of all active users on this account, and then select "Search." Select the User ID of the person you want to designate as a Paid Leave Administrator. On the next page, select "Update." Check the box to add the Paid Leave Administrator role for this user and select "Save." Your Paid Leave Administrator will receive an email with instructions on how to set up a separate account on the Paid Leave website.

You can repeat this process with additional users if you want to designate multiple Paid Leave administrators. If a person you want to designate as a Paid Leave Administrator is not listed, you must first add them as a user on your employer account.

User ID

User first name

User last name

UI system role

All

Reset

Search

Results

User ID	Last name	First name	Effective start date	Effective end date	Paid Leave system roles
Demo user1	Lastname	Firstname	08/21/2025		
Demo user2	Lastname	Firstname	06/13/2024		

Paid Leave Administrator...

Select Update

Employer Information

Employer account number: -----Employer name: Example Employer

Employer user information

* Indicates required field

Paid Leave system user information

User ID

Demo_user1

* First name

Firstname

MI

* Last name

Lastname

* Phone

{ ### } ### - ####

* Email

flastname@notarealemail.com

Assigned Roles

Role

No roles assigned

Available Roles

Role

Paid Leave Administrator

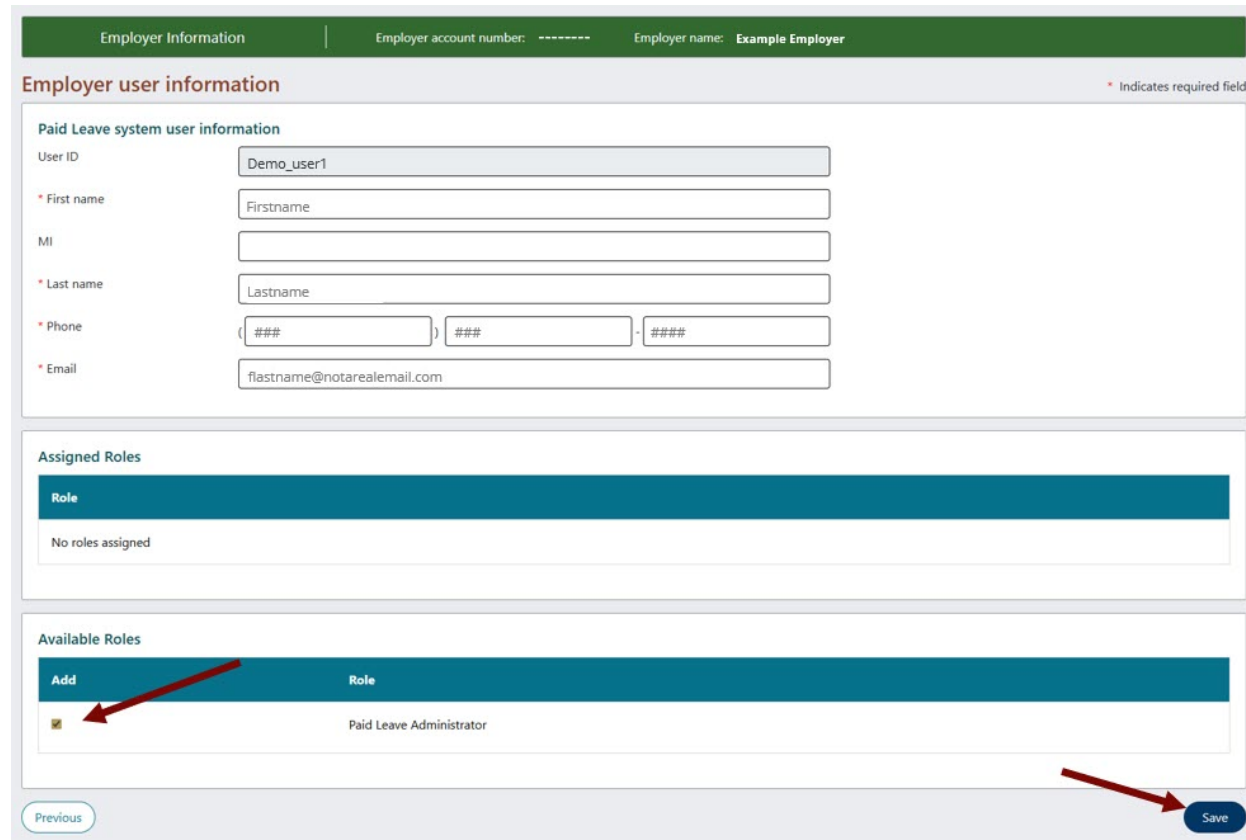
Previous

Update

Paid Leave Administrator...

Select the option to Add the Paid Leave Administrator role, and then select Save.

The paid leave administrator that you designate will receive emailed instructions to sign in to the Paid Leave Administrator Account on the MN Paid Leave website.



The screenshot shows a web form for setting up a Paid Leave Administrator. At the top, a green header bar contains 'Employer Information' and fields for 'Employer account number' (masked with dashes) and 'Employer name' (Example Employer). Below this is a section titled 'Employer user information' with a red asterisk indicating required fields. This section includes 'Paid Leave system user information' with fields for User ID (Demo_user1), First name (Firstname), MI, Last name (Lastname), Phone (three separate fields for ###, ###, and ####), and Email (flastname@notarealemail.com). Below the user information is a section for 'Assigned Roles' which currently shows 'No roles assigned'. At the bottom is the 'Available Roles' section, which contains a table with two columns: 'Add' and 'Role'. The table has one row with a checked checkbox in the 'Add' column and 'Paid Leave Administrator' in the 'Role' column. A red arrow points to the checkbox. At the bottom of the form are two buttons: 'Previous' and 'Save'. A red arrow points to the 'Save' button.

Employer Information | Employer account number: ----- Employer name: Example Employer

Employer user information * Indicates required field

Paid Leave system user information

User ID: Demo_user1

* First name: Firstname

MI:

* Last name: Lastname

* Phone: (###) ### - ####

* Email: flastname@notarealemail.com

Assigned Roles

Role
No roles assigned

Available Roles

Add	Role
☒	Paid Leave Administrator

Previous Save

Step Two: Notify your employees

- Display a workforce poster
 - <https://mn.gov/deed/paidleave/employers/resource/>

Step Two: Notify your employees

- Notify individual employees directly

Step Two: Notify your employees

- Notify individual employees directly
 - Decide how to split premiums

Deciding on Premium splits between Employer and Employee.

- The premiums withheld from employees are capped at 0.44%
- Employers Expense would be either 0.22% (small employers) or 0.44% (large employers)
 - To qualify as a small employer you must have 30 or fewer employees and an average employee wage of 150% or less of the statewide average (\$107,016 in 2025).
- The employer may choose to pay a portion or all of the employee premium **BUT** any portion of the employee premium paid by the employer is taxable income to the employee and must be added to their W-2 wages (boxes 1,3,5).
- The employee premium deduction is post-tax which means it is calculated on the **Gross Pay without any pre-tax withholdings** such as Health Insurance, Flex, etc.

Step Two: Notify your employees

- Notify individual employees directly
 - Set up a clear notification process

Signed Notification-By 12/1/2025

- You must notify individual employees directly within 30 days of hire or 30 days before premium collection begins. (For program launch, this is by 12/1/2025)

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- Employees must acknowledge receipt of the notice, or employers will need to demonstrate how their workforce was notified.
 - Notice distributed at a staff meeting
 - Notice included with paycheck
 - Notice mailed to employee

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 - Notice distributed at a staff meeting
 - Notice included with paycheck
 - Notice mailed to employee
- Templates will be emailed to you. These files are word documents that may be edited to add your employer name, address, EIN number; the rates are already filled in based on 50% premium being deducted from employees. There is a section at the bottom of the notice for employees to sign and acknowledge receipt.

Employee Notice Templates

There are two templates for Employee Notice of the MN Pd Leave Law. One is for large employers (More than 30 employees reported through the UIMN website for any of the last 4 quarters) and the other is for small employers (30 or fewer employees as reported through the UIMN website for any of the last 4 quarters). The rates below represent small employers and large respectively.

Your premium contributions are:

Me dic al Lea ve	Total Medical Leave Premium: 0.46%			
	(Employer Name)	will contribute	0.155%	of the Medical Leave contribution
		and the remaining	0.305%	will be deducted from your wages

Fa mi ly Le a v e	Total Family Leave Premium: 0.2%			
	(Employer Name)	will contribute	0.065%	of the Family Leave contribution
		and the remaining	0.135%	will be deducted from your wages

Your premium contributions are:

Me dic al Lea ve	Total Medical Leave Premium: 0.61%			
	(Employer Name)	will contribute	0.305%	of the Medical Leave contribution
		and the remaining	0.305%	will be deducted from your wages

Fa mi ly Le a v e	Total Family Leave Premium: 0.27%			
	(Employer Name)	will contribute	0.135%	of the Family Leave contribution
		and the remaining	0.135%	will be deducted from your wages

Step Three: Prepare Your Workplace

- How will Paid Leave work for your employees?

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- How will Paid Leave work for your employees?
- How will Paid Leave work with other benefits?

Step Three: Prepare Your Workplace

- How will Paid Leave work for your employees?
- How will Paid Leave work with other benefits?
- Update your workplace policies.

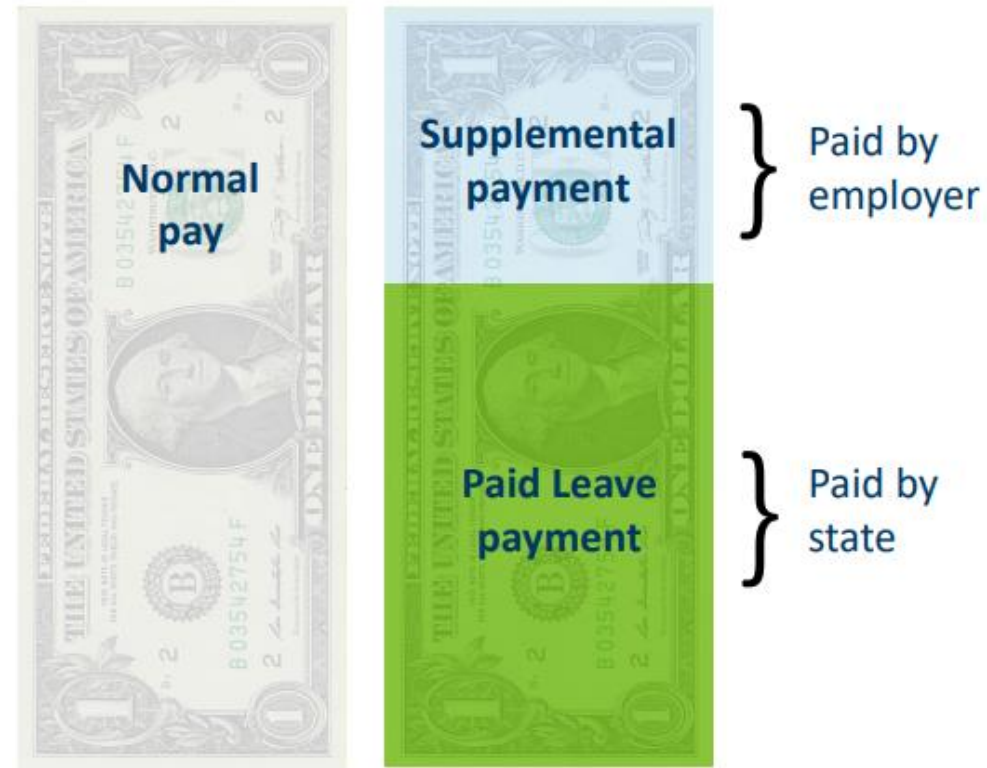
How will Paid Leave work for your Employees?

- Premiums are shared between employers and employees.
- Premiums deducted from employees are reported in Box 14 of the W-2 under the label of **MNPFML**
- Paid leave benefits are taxable, but the federal government treats family leave and medical leave differently.
 - Family leave payments are not considered wages, so they are not subject to employment taxes. The recipient will receive a 1099 from the state.
 - Medical leave payments are treated two different ways for federal tax purposes
 - Part of the benefits will be treated as wages (this is the part attributable to the employer contribution – 33% for small employers and 50% for large employers)
 - The remaining portion is excluded from the employees federal gross income and is not taxable.

How will paid leave work with other benefits?

There are a number of ways employers can choose to supplement payments to employees under paid leave.

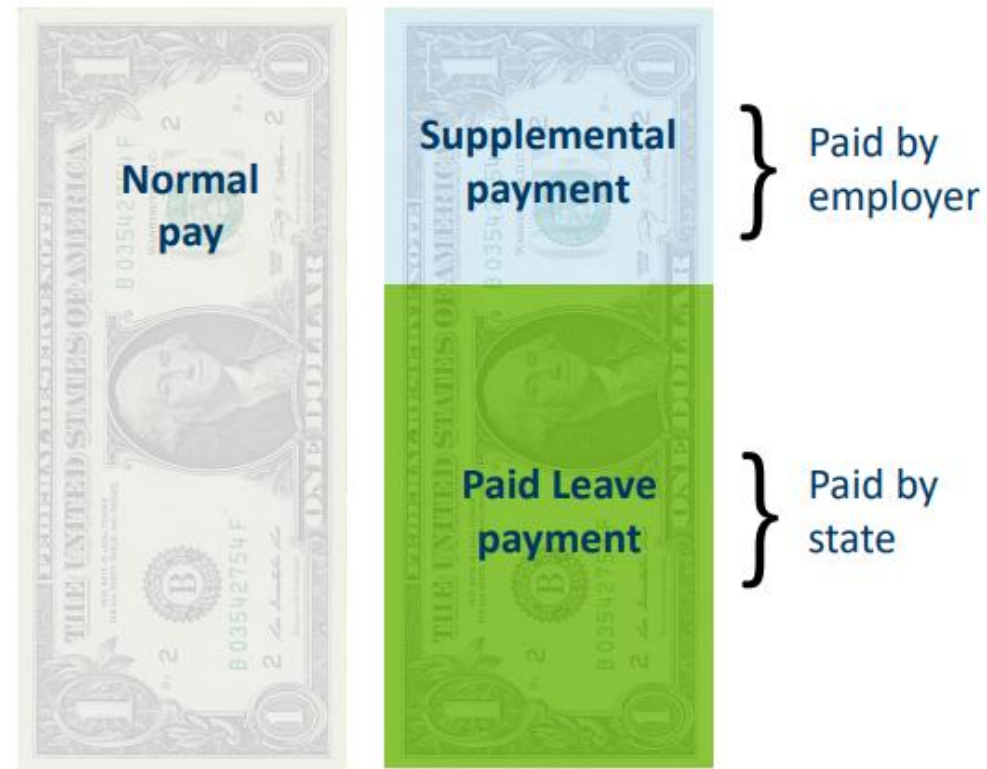
- Paid Leave provided payments that are a percentage of an employee's usual pay.



Supplemental Payments

There are a number of ways employers can choose to supplement payments to employees under paid leave.

- Employers may choose to offer supplemental payments to employees through PTO or other benefits. (The Paid leave payments and supplemental payments cannot exceed the employee's typical pay.)

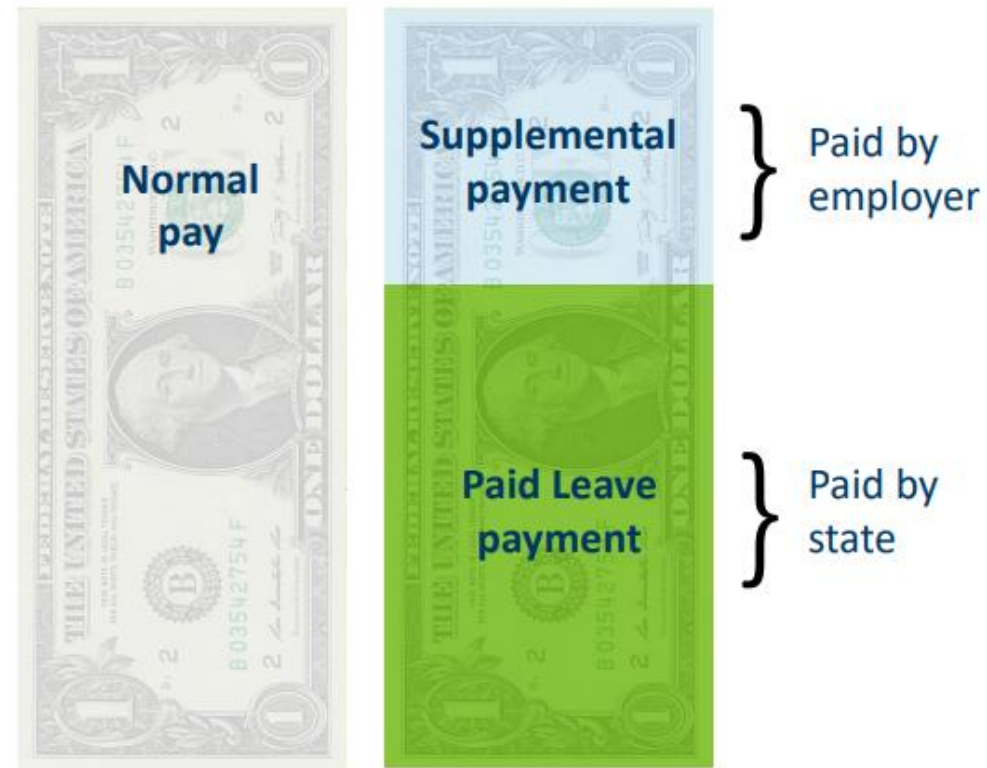


replace Paid Leave payments.

Supplemental Payments

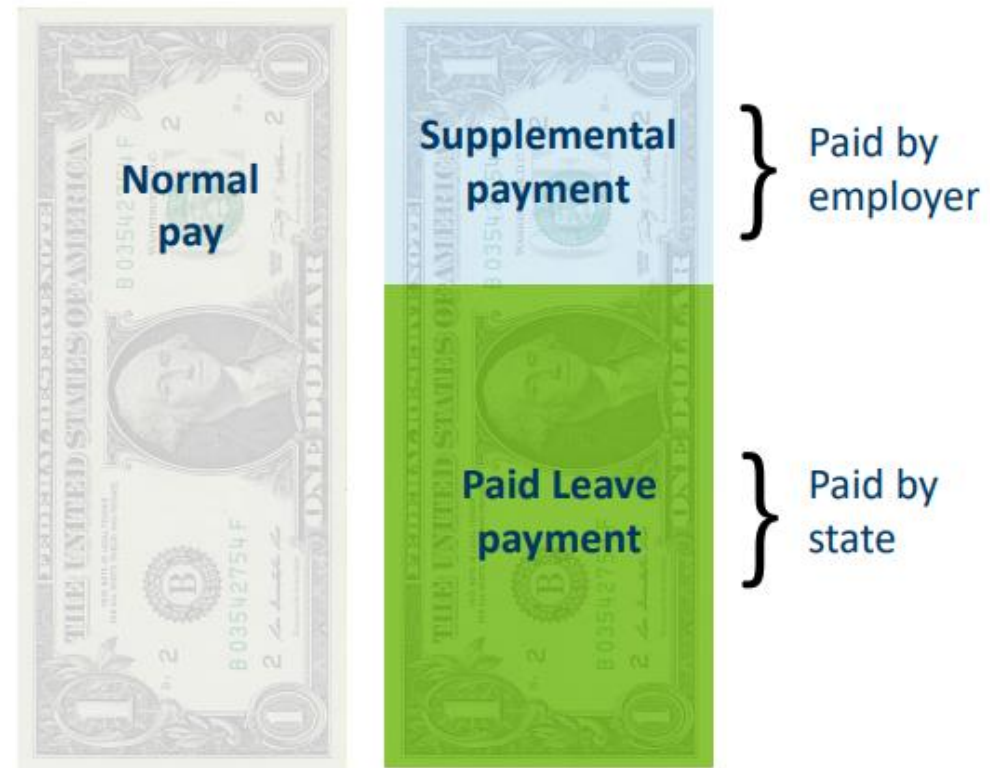
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- Think of it as topping off the paid leave payments.



Supplemental Payments

There are a number of ways employers can choose to supplement payments to employees under paid leave.



- Other payments can reduce or replace Paid Leave payments.

Coordinate other Job Protections

In addition to Paid Leave, employees may qualify for job protection under other programs.

Employers should clarify to employees how these programs work together.

These job protections can run concurrent with Paid Leave:

- Family and Medical Leave Act (FMLA). FMLA is a federal law that provides up to 12 weeks of unpaid, job-protected leave per year.
- Pregnancy & Parental Leave (PPL). PPL is a state law that provides up to 12 weeks of unpaid, job-protected leave during pregnancy or upon the birth or adoption of a child.

Other Leaves: If an employer shows that an employee has already taken job-protected leave for a reason that qualifies under Paid Leave once the program starts, then the amount of Paid Leave the employee can take may be reduced.

Intermittent Leave

Employees can take leave in small blocks of time rather than all at once. This is called intermittent leave. You decide the shortest block of time an employee can use – from one minute up to one day.

You can also decide how much leave time can be taken as intermittent leave. Employees can take up to 480 hours of leave intermittently each year if they qualify (the equivalent of 12 weeks at 40 hours per week). If someone qualifies to take up to the maximum 20 weeks of leave in a year, you can decide if that additional time can also be taken intermittently, or if it must be taken in one continuous block.

There is more recordkeeping involved with this. Unlike continuous leave, the hours or days on leave need to be regularly reported.

Make sure to update employee handbooks!

- Here is a sample notice to include in employee handbooks:
 - **Minnesota Paid Family and Medical Leave:** Effective January 1, 2026, employees can receive paid leave to care for themselves or family members for various reasons, including serious health conditions, the birth or adoption of a child, or to address safety concerns related to domestic or sexual violence.

Leave notice policies:

- You can require employees to comply with your usual and customary leave notice requirements, unless the reason for an employee's leave prevents this.

Intermittent leave policies • You decide the shortest block of time that employees are allowed to use intermittent leave (from one minute up to one day).

- You can also decide if employees can take more than 480 hours of leave intermittently each year, if they qualify, or if leave over 480 hours must be taken in one continuous block.

Accounting Details

Setting up the employee/employer premiums in payroll (ParishSOFT used as an example)

Detailed instructions with screen shots will be emailed out to all bookkeepers using ParishSOFT.

Key information:

The deduction does not affect any taxes and it taken on the gross wages before any insurance, flex or 403b deductions.

The employee deduction will need to be linked to Box 14

The employer portion is not reportable on the employee's W-2.

Make sure that you enter the percentages correctly as .44 not 44

Key Points to remember

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- Visit the Paid Leave website and sign up for automatic updates.

More Links and Information

- Home Page for MN Paid Leave <https://mn.gov/deed/paidleave/>
- Website for Employees <https://mn.gov/deed/paidleave/employees/>
- Website for Employers <https://mn.gov/deed/paidleave/employers/>
- Employer Resource Toolkit
<https://mn.gov/deed/paidleave/employers/resource/>
- Frequently asked questions <https://mn.gov/deed/paidleave/employers/faq/>
- DOW-R assistance: <https://www.dowr.org/offices/finance/connect-now.html>

Thank you and Conclusion

- Questions?
- Thank you for Participating!

Invitation to Stay Connected and Continue the Conversation

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