

Paid Family and Medical Leave— State Law Overview

As a growing trend, states across the country are enacting paid employee leave laws. Currently, California, Colorado, Connecticut, Delaware, Maryland, Massachusetts, New Jersey, New York, Oregon, Rhode Island, Washington and the District of Columbia have paid family and medical leave programs. In addition, New Hampshire and Vermont enacted voluntary paid family and medical leave insurance programs. In general, the paid family and medical leave programs provide employees with partial wage replacement during time off to care for an ill family member or their own medical conditions.

The features of the programs differ as to the amount of leave compensated, the compensation rate, and importantly, whether they provide employees a right to job-protected leave. The laws also vary on whether leave is funded by employers, employees or both. This Compliance Overview provides a high-level summary of current statewide paid family and medical leave programs.

LINKS AND RESOURCES

- California Employment Development Department (EDD)
- Colorado Department of Labor and Employment
- Connecticut Paid Leave Authority
- District of Columbia Office of Paid Family Leave
- Massachusetts Department of Family and Medical Leave
- New Hampshire Paid Family and Medical Leave website
- New Jersey Division of Temporary Disability and Family Leave
 Insurance
- New York Paid Family Leave: Information for Employers
- Oregon Employment Department
- Rhode Island Department of Labor and Training

Paid Leave Laws

States with paid family and medical leave laws:

- California
- Colorado (contributions began Jan. 1, 2023)
- Connecticut
- Delaware (contributions begin Jan. 1, 2025)
- District of Columbia
- Maryland (contributions begin Oct. 1, 2023)
- Massachusetts
- New Hampshire (insurance became available Dec. 1, 2022, and Jan. 1, 2023)
- New Jersey
- New York
- Oregon (contributions begin Jan. 1, 2023)
- Rhode Island
- Vermont (insurance becomes available to different groups in 2023, 2024 and 2025)
- Washington

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State Paid Family Leave Laws and Programs

STATE	KEY REQUIREMENTS
California	Type of benefit: Partial wage replacement program administered by a state agency. It does not guarantee employer-approved time off or job protection. However, an employee may have leave rights under the <u>federal FMLA</u> or the <u>California Family Rights Act</u> .
Paid family leave insurance program	Eligible employees: Employees must have contributed to the state disability insurance program through mandatory payroll deductions during the prior 18 months. Employers may require employees to use up to two weeks of unused vacation leave or paid time off before receiving paid family leave benefits.
	Paid leave duration: An employee may receive up to eight weeks of paid family leave benefits during a 12-month period for:
	 Bonding with a new child (either by birth, adoption or foster care placement);
	 Caring for a seriously ill family member (child, parent, parent-in-law, grandparent, grandchild, sibling, spouse or registered domestic partner); or
	 A qualifying exigency related to the covered active duty (or call to covered active duty) of the employee's spouse, domestic partner, child or parent in the U.S. Armed Forces.
	Paid leave benefits: The weekly benefit amount is approximately 60% to 70% (depending on income) of wages earned 5 to 18 months before an individual's claim start date, up to the maximum weekly benefit amount. In 2023, weekly benefits range from \$50 to \$1,620.
	Program funding: The paid leave program is funded by employees through state disability insurance deductions from their paychecks. In 2023, the withholding rate is 0.9%, which includes both disability insurance and paid family leave.
	Benefit administration: California's paid family leave program is administered by the state's <u>Employment Development Department (EDD)</u> .
Colorado Paid family and medical leave law	Type of benefit: Paid family and medical leave with partial wage replacement funded through employer and employee payroll taxes and administered by a state agency. Leave is job-protected for workers with 180 days' employment with their current employer.
Employers begin remitting contributions to the state Jan. 1, 2023.	Eligible employees: Workers are eligible if they perform labor or services for the benefit of another, and if they have earned at least \$2,500 during the first four of the last five completed calendar quarters before the benefit year.
Leave becomes	Paid leave duration: Workers may take up to 12 weeks of leave per year, or 16 weeks for a serious health condition related to pregnancy or childbirth complications.
available Jan. 1, 2024.	Paid leave benefits: 90% of the worker's weekly wage that is 50% of the state average weekly wage (SAWW). 50% of any portion of the weekly wage higher than 50% of the



SAWW. Benefits are capped at 90% of the SAWW and (for leave beginning before Jan. 1, 2025) at a weekly benefit amount of \$1,100.

Program funding: Funding is split evenly between employers and employees, although employers with fewer than 10 employees are exempt from contributing, and employers may pay part or all of the employee's share. Beginning Jan. 1, 2023, all employers must remit premiums to the state, in the total amount of 0.9% of the employee's wages. The employee portion may be collected as a wage deduction. Starting in 2025, the premium rate will be set by the Division of Family and Medical Leave Insurance, at up to 1.2% of employee wages. The amount of wages subject to premium assessment is capped at the maximum subject to social security tax.

Benefit administration: The program will be administered by a newly created state <u>Division of Family and Medical Leave Insurance</u>.

Connecticut

Paid family and medical leave law

Benefits became available Jan. 1, 2022.

Type of benefit: Partial wage replacement program funded by an employee payroll tax and administered by a state agency. It does not guarantee employer-approved time off or job protection. However, an employee may have leave rights under the <u>federal FMLA</u> or the <u>Connecticut Family and Medical Leave Act</u>.

Eligible employees: Virtually all employees in Connecticut who have worked for their employer for at least three months before the request for leave and at least 1,000 hours during the 12 months before leave starts.

Paid leave duration: In any 12-month period, employees may take up to 12 weeks for family and medical leave, an additional two weeks for pregnancy disability leave and 26 weeks to care for a covered service member. If two spouses have the same employer, the spouses may be limited to 12 weeks combined for the birth or placement of a child or to care for a sick family member. In any case, spouses of the same employer may be limited to 26 weeks of leave combined.

Paid leave benefits: 95% of the employee's salary up to 40 times the minimum wage, plus 60% of their salary exceeding 40 times the minimum wage, up to a maximum of 60 times the minimum wage (\$840 on a \$14 minimum wage and \$900 on a \$15 minimum wage).

Program funding: Paid family and medical leave is funded by a mandatory payroll tax on employees of 0.5% of income, up to the Social Security wage base. There is no required employer contribution.

Benefit administration: The paid family and medical leave program is administered by the Connecticut Paid Leave Authority.

Delaware

Healthy Delaware Families Act

Contributions begin Jan. 1, 2025.

Type of benefit: Job-protected, partially compensated family and medical leave funded through employer and employee payroll taxes and administered by a state agency.

Eligible employees: Employees who have been employed for 12 months by their current employer, worked 1,250 hours during that time and primarily report for work at a worksite in Delaware.



Benefits become available Jan. 1, 2026.

Paid leave duration: Up to 12 weeks' parental leave per year for child bonding (half this amount for employers with fewer than 25 employees for the first five years of the program). Up to six weeks per any 24-month period for an employee's or family member's serious health condition, or for a qualifying military exigency. Total combined family and medical leave is capped at 12 weeks per year per employee.

Paid leave benefits: 80% of the employee's average weekly wage, up to a maximum of \$900 in 2026 and 2027, with increases thereafter linked to the consumer price index.

Program funding: Shared equally between employers and employees via payroll contributions. The contribution rate for 2025 and 2026 is 0.4% of an employee's wages for medical leave, 0.08% for family caregiving leave and 0.32% for parental leave.

Benefit administration: <u>Delaware Department of Labor</u>.

District of Columbia

Universal Paid Leave Act

Type of benefit: Partial wage replacement program funded through employer payroll taxes and administered by a government agency. It does not guarantee employer-approved time off or job protection. However, an employee may have leave rights under the <u>federal FMLA</u> or the District of Columbia Family and Medical Leave Act.

Eligible employees: Employees who have spent more than 50% of their work time working in the District during some or all of the 52-week period before the leave event.

Paid leave duration: Amendments passed in 2021 and 2022 expanded compensable leave amounts. For claims filed after Oct. 1, 2022, the following leave amounts apply:

- 12 weeks of parental leave (within one year following birth or placement of child);
- 12 weeks to care for a family member with a serious health condition;
- 12 weeks for an employee's own serious health condition; and
- Two weeks of prenatal leave.

Maximum yearly limits apply. The amendments provided that individuals may receive the full amounts of both prenatal and parental leave available in the fiscal year benefit claims are filed. However, individuals may not receive prenatal and medical leave that exceeds the maximum amount of medical leave available for that fiscal year. Otherwise, in a 52-week period, an employee's covered combined leave is limited to the maximum duration of parental leave available in the fiscal year the claims are filed.

Paid leave benefits: 90% of the employee's average weekly wage for an employee who earns no more than 150% of the District's minimum wage.

An employee whose wage is more than 150% of the District's minimum wage is entitled to (i) 90% of 150% of the District minimum wage; plus (ii) 50% of the amount by which the employee's average weekly wage exceeds 150% of the District minimum wage.

The maximum weekly benefit is \$1,049, adjusted for inflation annually on October 1.

Program funding: Covered employers are required to make quarterly employer payroll tax contributions to the Universal Paid Leave Implementation Fund. Employees do not contribute to the program's funding. Before July 1, 2022, the required contribution rate was



0.62% of each covered employee's wages. After that, the contribution rate is 0.62% or a special rate established by the District's Chief Financial Officer—whichever is less. (In March 2022, the Chief Financial Officer announced that the rate would be reduced from 0.62% to 0.26% as of July 1, 2022, barring administrative delay.) Employers submit contributions and quarterly wage reports through a Department of Employee Services online portal. Penalties apply for late payments.

Benefit administration: Paid family and medical leave benefits are administered by the District of Columbia Office of Paid Family Leave.

Maryland

Paid family and medical leave insurance program

Contributions begin Oct. 1, 2023.

Benefits become available Jan. 1, 2025.

Type of benefit: Job-protected, partially compensated family and medical leave funded through employer and employee payroll taxes and administered by a state agency.

Eligible employees: Employees who have worked at least 680 hours during the 12-month period before leave is to begin.

Paid leave duration: 12 weeks of leave per year, plus an additional 12 weeks if an employee needs leave in a year for both their own serious health condition and for child bonding.

Paid leave benefits: 90% of the worker's wages up to 65% of the state average weekly wage, plus 50% of the employee's wages exceeding 65% of the state average weekly wage.

Program funding: Employees and employers with at least 15 employees must contribute to the fund beginning Oct. 1, 2023.

The state secretary of labor will set the program's contribution rate and cost-sharing formula between employers and employees by June 1 every two years, beginning in 2023. The employer's share will fall within 25%-75% of the whole. Employers must deduct employees' contributions from their wages, but employers may pay part or all of the employee contribution.

Benefit administration: The Maryland Department of Labor is charged with administering the program.

Massachusetts

Paid family and medical leave law

Type of benefit: Job-protected, paid family and medical leave with benefits funded through employer and employee payroll taxes and administered by a state agency.

Eligible employees: Virtually all employees working in the state.

Paid leave duration: The paid family and medical leave program provides the following leave amounts for each benefit year:

- Family leave: Up to 12 weeks (26 weeks to care for a covered service member);
- Medical leave: Up to 20 weeks; and
- Combined family/medical leave: Up to 26 weeks.

Paid leave benefits: 80% of the employee's salary up to 50% of the average weekly wage, plus 50% of the employee's salary exceeding 50% of the average weekly wage, up to a



maximum of \$1,129.82 in 2023. Weekly benefit payments begin after an initial seven-day waiting period.

Program funding: The paid family and medical leave program is funded by a mandatory payroll tax of 0.63% of employees' wages, adjusted annually. The tax is divided between the medical leave portion (0.52% of wages in 2023) and the family leave portion (0.11% of wages in 2023). The medical leave contribution is shared between employers and employees, with employers paying 60% (0.312% of wages in 2023). However, for employers with fewer than 25 employees, no employer contribution is required. No employers are required to contribute to the family leave portion of the program (0.11% of wages in 2023).

Benefit administration: The state's paid family and medical leave program is administered by the Massachusetts Department of Family and Medical Leave.

New Hampshire

Voluntary family leave insurance

Employers began purchasing coverage Dec. 1, 2023; workers may purchase coverage Jan. 1, 2023.

Type of benefit: Partial wage replacement program provided by voluntary family leave insurance. It does not guarantee employer-approved time off. Job protection applies for employer-sponsored coverage where the employer has at least 50 employees. Employers were able to start purchasing coverage Dec. 1, 2022. In 2023, open enrollment for individual workers is Jan. 1 through March 2.

Eligible employees: Permanent state employees must be covered at no cost. The program is optional for private employers. Employers with more than 50 employees who choose to sponsor coverage contract directly with the insurance carrier chosen by the state (currently MetLife). Workers whose employers do not offer coverage may opt into the plan.

Paid leave duration: Duration of benefits varies by type of plan. State workers and workers who opt into the plan individually are limited to six weeks of wage replacement. Private employers that sponsor coverage may choose between six-week and 12-week plans. Paid leave benefits are permitted for leave taken for the following reasons:

- Serious health condition of the employee (not a qualifying reason for state workers);
- Birth of a child of the employee within the past 12 months, or placement of a child with the employee for adoption or fostering within the past 12 months;
- Serious health condition of a family member; or
- Qualifying military exigency, or to care for a service member with a serious injury or illness.

Employers may require the leave to run concurrently with other leaves.

Paid leave benefits: Workers receive 60% of their average weekly wage.

Program funding: Private employers may voluntarily fund part or all of the cost of coverage. The law allows a tax credit equal to 50% of premiums paid by the employer for six weeks of coverage.

Type of benefit: Partial wage replacement program funded by employee contributions and administered by a state agency. Employers are not required to contribute to the program. It



New Jersey

Family leave insurance

does not guarantee employer-approved time off or job protection; however, an employee may have leave rights under the federal FMLA or the New Jersey Family Leave Act.

Eligible employees: To be eligible, an employee must have paid into the insurance program (either the state plan or an approved private plan) through his or her employer and meet minimum gross earnings requirements. These requirements may change year to year. For 2023, an employee must have worked at least 20 weeks earning \$260 or more per week, or have earned at least \$13,000 in the past 12 months to be eligible.

Paid leave duration: An employee may receive up to 12 weeks of cash benefits in a 12-month period to bond with a newborn, newly adopted child or newly placed foster child or to provide care for a seriously ill or injured family member (spouse, domestic partner, civil union partner, parent, child, sibling, parent-in-law, grandparent, grandchild, other blood relative and any other individual who has a close association with the employee that is the equivalent of a family relationship). Leave benefits are also available to care for a victim of domestic violence or a sexually violent offence—or for the victim's family member—and to care for a quarantined family member whose presence in the community may jeopardize the health of others.

Paid leave benefits: The weekly benefit for family leave insurance is based on an employee's average weekly wage. The weekly benefit is 85% of the employee's average weekly wage, up to a maximum of 70% of the statewide average weekly wage for all workers. The maximum possible benefit for 2023 is \$1,025.

Program funding: The paid leave program is funded by employees through payroll deductions. For calendar year 2023, workers contribute 0.06% of the first \$156,800 (taxable wage base that changes every year) in covered wages. The maximum worker contribution for 2023 is \$94.08.

Benefit administration: New Jersey's family leave insurance program is administered by the state's <u>Department of Labor and Workforce Development.</u>

New York

Paid family leave law

Type of benefit: Job-protected paid family leave with benefits funded through employee payroll deductions and provided through an insurance policy (typically a rider to an existing disability insurance policy).

Eligible employees: Any employee who works at least 20 hours per week if the employee works for a covered employer for at least 26 consecutive weeks. A part-time employee (an employee who works fewer than 20 hours per week) is eligible for paid family leave after he or she has worked for a covered employer for 175 days.

Paid leave duration and benefits: Following a phase-in period over several years, since Jan. 1, 2021, eligible employees have been able to receive up to 12 weeks of paid family leave at 67% of their average weekly wage, up to a maximum of 67% of the statewide average weekly wage. For 2023, the weekly maximum benefit is \$1,131.08.

Employees may receive paid family leave benefits for the following:



- Leave to participate in providing care, including physical or psychological care, to a family member with a serious health condition;
- Leave to bond with the employee's child during the first 12 months after the child's birth, or after the placement of the child for adoption or foster care with the employee;
- Leave taken because of any qualifying exigency as interpreted under the federal FMLA arising out of the fact that the spouse, domestic partner, child or parent of the employee is on active duty (or has been notified of an impending call or order to active duty) in the U.S. Armed Forces;
- Leave to help a family member prepare for, and recover from, surgery related to organ or tissue donation; or
- Leave for <u>certain workers</u> under a COVID-19 quarantine or isolation order issued by an authorized government entity, or workers who have a minor child under such an order. This benefit is not available to workers who are able to work through remote access or other means.

Program funding: Paid family leave is funded entirely through employee payroll deductions. For 2023 the employee contribution rate decreases to 0.455% of the employee's weekly wage, up to an annual cap of \$399.43. Employers are not required to contribute to or fund the paid family leave benefit, although they may choose to do so.

Benefit administration: Paid family leave coverage is usually a rider to the employer's disability insurance coverage. For more information, see New York's <u>Paid Family Leave:</u> <u>Information for Employers</u> and <u>Weekly Payroll Deduction Calculator</u>.

Oregon

Paid family and medical leave law Contributions began Jan. 1, 2023.

Benefits become available Sept. 3, 2023.

Type of benefit: Job-protected paid family and medical leave program, funded by a mandatory payroll tax on employees and employers with more than 25 workers. The program is administered by a state agency.

Eligible employees: Virtually all employees working in Oregon who have earned at least \$1,000 in wages during four of the last five calendar quarters (alternatively, the last four completed calendar quarters) preceding the benefit year.

Leave duration: Workers receive up to 12 weeks of paid family and medical leave, up to 16 weeks of paid and unpaid family and medical leave combined, and up to 18 weeks of pregnancy disability leave.

Paid leave benefits: Workers whose average weekly wage is 65% or less of the state average weekly wage receive 100% of their weekly wage. Workers whose average weekly wage is greater than 65% of the state average weekly wage receive 65% of the average weekly wage plus 50% of that part of their average weekly wage that exceeds 65% of the state average weekly wage.

Program funding: 60% of program funding will come from a payroll tax on employees and 40% from a payroll tax on employers with 25 workers or more, beginning Jan. 1, 2023. Employers with fewer than 25 employees are exempt from payments, although those who



elect to pay into the program are eligible for grant funding. The contribution rate for 2023 is 1% of the employee's wages.

Benefit administration: the Oregon Employment Department.

Rhode Island

Temporary caregiver insurance

Type of benefit: Partial wage replacement program administered by a state agency. Employers must hold an employee's position, or offer a comparable position upon the employee's return.

Eligible employees: To be eligible for temporary caregiver insurance (TCI) benefits, employees must have earned wages in Rhode Island and paid into the state's TCI/disability fund. Employees must also meet certain earnings requirements.

Paid leave duration: An employee may receive up to six weeks of paid family leave benefits during a benefit year to:

- Care for a seriously ill child, spouse, domestic partner, parent, parent-in-law or grandparent; or
- Bond with a newborn child, newly adopted child or new foster-care child.

Paid leave benefits: An insured's weekly benefit rate is equal to 4.62% of the worker's wages in the highest quarter of his or her base period. Effective Jan. 1, 2023, \$1007 is the maximum benefit rate and \$121 is the minimum benefit rate (not including dependents' allowance).

Program funding: The TCI program is funded by employees through state disability insurance deductions from their paychecks. The withholding rate as of Jan. 1, 2023, is 1.1% of the first \$84,000 earned, which includes both disability insurance and TCI coverage.

Benefit administration: Rhode Island's TCI program is administered by the state's <u>Department of Labor and Training.</u>

Vermont

Voluntary paid family and medical leave insurance

Program will be established in phases in 2023, 2024 and 2025.

Type of benefit: Partial wage replacement program provided by voluntary family and medical leave insurance. State government employees will begin receiving coverage in 2023, and private and nonstate public employers will be able to purchase coverage in 2024. The insurance becomes available for purchase by individual workers and employers with only one employee in 2025.

Paid leave duration: At a minimum, workers will receive six weeks of leave for:

- The birth of a child and their care (within one year of birth);
- The adoption or foster placement of a child (within one year of placement);
- The employee's or a family member's serious health condition; and
- A qualifying military exigency or to care for a covered service-member family member with a serious injury or illness.

Paid leave benefits: Plans will provide at least 60% of workers' wages for six weeks of leave for qualifying events.



Program funding: Private employers and other nonstate public employers may offer family and medical leave insurance to their employees. Employees can also purchase benefits either from their employer or from the state-selected insurer if coverage is not available through their employer. Employers with one employee can sponsor coverage for their employee through the insurer beginning July 1, 2025.

Benefit administration: The state has selected investment and insurance company <u>The Hartford</u> to create and administer the plan.

Washington

Paid family and medical leave law

Type of benefit: Paid family and medical leave with benefits funded through employer and employee payroll taxes and administered by a state agency. The program provides some employees with job protection.

Eligible employees: Any employee who works at least 820 hours during the qualifying period is eligible for paid family and medical leave benefits. The qualifying period consists of the first four of the last five completed calendar quarters or, if eligibility is not established, the last four completed calendar quarters immediately before the employee's application for leave. (Workers who do not meet the hours-worked requirement but are otherwise eligible for PFML may be eligible for a <u>pandemic leave assistance employee grant</u> for the benefit. The grants apply only to claims with a start date in 2021 through March 31, 2022.)

Employees returning from leave must have their jobs restored if they:

- Work for an employer with 50 or more employees;
- Have been employed by the employer for at least 12 months; and
- Worked for the employer at least 1,250 hours during the twelve months immediately before leave.

Certain highly paid salaried employees may be denied job restoration.

Paid leave duration: The paid family and medical leave program provides the following leave amounts during a consecutive 52-week period:

- Family leave: Up to 12 weeks;
- **Medical leave:** Up to 12 weeks (14 weeks if the employee experiences a serious health condition with a pregnancy that results in incapacity); and
- Combined family/medical leave: Up to 16 weeks (18 weeks if the employee experiences a serious health condition with a pregnancy that results in incapacity).

Paid leave benefits: An eligible employee may receive up to 90% of his or her average weekly wage (AWW), based on the employee's AWW in comparison to the state AWW, up to the maximum weekly benefit, as follows:

 An employee whose AWW is 50% or less than the state AWW receives 90% of his or her AWW.



• An employee whose AWW is greater than 50% of the state AWW receives a weekly benefit that is the sum of 90% of the employee's AWW up to 50% of the state AWW and 50% of the employee's AWW that is greater than 50% of the state average weekly wage.

The maximum weekly benefit for paid family and medical leave is \$1,427 in 2023. This number is adjusted annually.

Program funding: The paid family and medical leave program is funded with employer and employee payroll contributions. In 2023, the total premium is 0.8% of an employee's wages up to the 2023 Social Security cap of \$160,200, of which employers pay 27.24% and employees pay 72.76%.

Employers with fewer than 50 employees employed in the state are not required to pay the employer portion of premiums for family and medical leave. However, employers with fewer than 50 employees that choose to pay the premiums are eligible for grant assistance.

Benefit administration: The state's paid family and medical leave program is administered by the Washington Employment Security Department.