

Minnesota PFML Employer FAQ Guide

70+ Questions Answered for Minnesota Employers

Effective January 1, 2026

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1. Program Basics

Q: What is Minnesota PFML?

A: Minnesota Paid Family and Medical Leave (PFML) is a state-mandated program that provides wage replacement benefits to employees who need time off for qualifying family and medical reasons. The program is funded through payroll contributions from both employers and employees.

Q: When did Minnesota PFML take effect?

A: Benefits became available to employees starting January 1, 2026. Premium collection began in 2025, though most employers started withholding on January 1, 2026.

Q: Who administers the Minnesota PFML program?

A: The Minnesota Department of Employment and Economic Development (DEED) administers the PFML program, including employer registration, premium collection, and benefit claims.

Q: Does PFML replace FMLA?

A: No, PFML does not replace the federal Family and Medical Leave Act (FMLA). PFML provides paid benefits, while FMLA provides unpaid, job-protected leave. Employees may be eligible for both programs simultaneously.

Q: Is PFML the same as short-term disability?

A: No. PFML covers both family leave (bonding, caregiving) and medical leave (your own health condition). Short-term disability typically only covers your own medical conditions. PFML is a state program; short-term disability is usually private insurance.

2. Employer Registration

Q: Do all Minnesota employers need to register for PFML?

A: Yes, all employers with employees working in Minnesota must register for PFML, regardless of company size. This includes out-of-state employers with Minnesota employees.

Q: How do I register for Minnesota PFML?

A: Register through the Minnesota Unemployment Insurance (UI) portal at uimn.org. PFML registration is integrated with your existing UI account. If you don't have a UI account, you'll need to create one first.

Q: What information do I need to register?

A: You'll need your federal EIN, Minnesota Tax ID, business contact information, and employee wage data. If you're an out-of-state employer, you don't need a Minnesota Secretary of State filing.

Q: Is there a registration deadline?

A: Employers should have registered by January 1, 2026, when benefits began. If you haven't registered yet, do so immediately to avoid penalties.

Q: Do I need to register if I only have one Minnesota employee?

A: Yes. Even if you have only one employee who works in Minnesota (including remote workers), you must register for PFML.

3. Premium Payments

Q: What is the PFML premium rate for 2026?

A: The total premium rate is 0.88% of covered wages. This applies to wages up to the OASDI (Social Security) wage cap of \$185,000 for 2026.

Q: How is the premium split between employer and employee?

A: By law, employers must pay at least 50% (0.44%) of the premium. Employers may deduct up to 50% (0.44%) from employee wages. Employers can choose to pay more than their required share.

Q: Can I pay 100% of the premium as an employer benefit?

A: Yes. Employers can pay the entire 0.88% premium without deducting from employees. This is a common practice as an employee benefit.

Q: When are premium payments due?

A: Premiums are due quarterly: April 30 (Q1), July 31 (Q2), October 31 (Q3), and January 31 of the following year (Q4).

Q: How do I pay PFML premiums?

A: Pay through the Minnesota UI portal at uimn.org. You'll submit a wage report and premium payment together each quarter.

Q: What wages are subject to PFML premiums?

A: All wages paid to employees who work 50% or more of their time in Minnesota, up to the \$185,000 OASDI wage cap.

Q: Are bonuses and commissions subject to PFML premiums?

A: Yes, all compensation considered 'wages' for unemployment insurance purposes is subject to PFML premiums, including bonuses, commissions, and tips.

4. Employee Eligibility

Q: Which employees are eligible for PFML benefits?

A: Employees who have earned wages in Minnesota and meet the minimum earnings threshold are eligible. There's no minimum tenure requirement with a specific employer.

Q: What is the minimum earnings threshold?

A: Employees must have earned a minimum amount in covered wages during their base period. The exact amount is set annually by DEED.

Q: Are part-time employees eligible?

A: Yes, part-time employees are eligible if they meet the earnings threshold and work 50% or more of their time in Minnesota.

Q: Are seasonal employees eligible?

A: Yes, if they meet the earnings threshold and work primarily in Minnesota during their employment period.

Q: Can self-employed individuals participate?

A: Yes, self-employed individuals can opt into the PFML program. Once opted in, they must participate for at least 3 years.

5. Leave Types & Duration

Q: What types of leave does PFML cover?

A: PFML covers: (1) Medical leave for your own serious health condition, (2) Family leave for bonding with a new child, (3) Family leave for caregiving, (4) Qualifying military exigency, and (5) Safety leave for domestic abuse, sexual assault, or stalking.

Q: How much leave can employees take?

A: Up to 12 weeks for family leave, up to 12 weeks for medical leave, with a combined maximum of 20 weeks per benefit year.

Q: Can employees take PFML leave intermittently?

A: Yes, PFML leave can be taken intermittently or on a reduced schedule when medically necessary or agreed upon by the employer.

Q: How much are PFML benefits?

A: Benefits replace up to 90% of an employee's average weekly wage, with a maximum weekly benefit of \$1,473 in 2026.

Q: Is there a waiting period before benefits begin?

A: Yes, there is a 7-day waiting period before benefits are paid. Employees can use accrued PTO during this period.

6. Employee Notices

Q: What notices must employers provide to employees?

A: Employers must provide written notice to all employees about their PFML rights, including available leave types, how to file claims, and job protection rights.

Q: When must employers provide PFML notices?

A: Notices must be provided: (1) Within 30 days of hire for new employees, (2) Annually to all employees, and (3) Within 5 business days when an employee requests leave information.

Q: Is there a required notice format?

A: DEED provides a template notice that employers can use. The notice must include all required information but can be customized with company-specific details.

Q: Do I need to post a workplace poster?

A: Yes, employers must display the Minnesota PFML workplace poster in a conspicuous location where employees can see it.

Q: What languages must notices be provided in?

A: Notices should be provided in a language the employee understands. DEED provides templates in English and Spanish.

7. Job Protection

Q: Are employees' jobs protected while on PFML leave?

A: Yes, employees have the right to return to their same position or an equivalent position with the same pay, benefits, and working conditions.

Q: Can I terminate an employee who takes PFML leave?

A: You cannot terminate an employee because they requested or took PFML leave. However, you can terminate for legitimate business reasons unrelated to the leave.

Q: What is considered retaliation?

A: Retaliation includes termination, demotion, reduced hours, harassment, or any adverse action taken because an employee requested or took PFML leave.

Q: Do I have to hold a position open during extended leave?

A: Yes, for leave covered by PFML job protection requirements. If an employee exhausts PFML leave, job protection may continue under FMLA if applicable.

Q: Can I hire a temporary replacement while an employee is on PFML leave?

A: Yes, you can hire temporary help. However, you must still restore the original employee to their position (or equivalent) when they return from leave.

Q: What if the employee's position was eliminated during their leave?

A: If the position was eliminated for legitimate business reasons unrelated to the leave, you must offer an equivalent position if one exists. Document your business justification thoroughly.

Q: Do I have to continue health insurance during PFML leave?

A: Yes, employers must maintain group health insurance coverage during PFML leave under the same terms as if the employee had continued working.

Q: Can an employee waive their job protection rights?

A: No, employees cannot waive their PFML job protection rights. Any agreement to waive these rights is unenforceable.

8. Small Employers

Q: Are small employers exempt from PFML?

A: No, all employers must participate in PFML regardless of size. However, small employers may qualify for reduced premium rates.

Q: What is the small employer premium rate?

A: Employers with fewer than 30 employees may qualify for a reduced premium rate. The exact rate is determined by DEED.

Q: Are there grants available for small employers?

A: Yes, Minnesota has allocated funds for small business grants to help offset PFML implementation costs. Check the DEED website for availability.

Q: How is employee count determined for small employer status?

A: Employee count is typically based on the average number of employees during a specified period, such as the prior quarter.

Q: Do small employers have to provide job protection?

A: Yes, job protection requirements apply to all employers regardless of size. Small employers cannot deny an employee's right to return to work.

Q: Can small employers join together for a private plan?

A: Yes, small employers can participate in association health plans or pooled private PFML plans to potentially reduce administrative burden and costs.

Q: Are there simplified reporting options for small employers?

A: DEED offers streamlined reporting options for small employers. Check the UI portal for simplified wage reporting forms.

Q: What resources are available specifically for small businesses?

A: DEED provides small business webinars, dedicated helplines, and simplified guides. Navitize.com also offers free small business PFML resources.

9. Multi-State & Remote Workers

Q: How do I know if an employee is covered by Minnesota PFML?

A: Coverage is based on where work is performed, not where the employee lives or where the company is located. Employees who perform 50% or more of their work in Minnesota are covered.

Q: Are remote workers in Minnesota covered?

A: Yes, if they perform 50% or more of their work in Minnesota. A remote worker living in Minneapolis who works for a California company is covered by MN PFML.

Q: What if an employee splits time between Minnesota and another state?

A: Apply the 50% rule. If they work 60% in Minnesota and 40% in Wisconsin, they're covered by MN PFML. If it's reversed, they're not.

Q: Do out-of-state employers need to register?

A: Yes, if you have any employees who work 50% or more of their time in Minnesota, you must register for MN PFML regardless of where your company is located.

Q: Can I be required to pay PFML premiums to multiple states?

A: No, an employee can only be covered by one state's PFML program at a time based on where they perform the majority of their work.

10. Private Plans

Q: Can I offer a private PFML plan instead of the state plan?

A: Yes, employers can apply for a private plan exemption if their plan provides benefits equal to or greater than the state plan.

Q: What are the private plan application deadlines?

A: Applications must be submitted quarterly: February 15 (effective April 1), May 15 (effective July 1), August 15 (effective October 1), November 15 (effective January 1).

Q: What are the requirements for private plan approval?

A: Private plans must provide at least the same benefit amounts, leave duration, and coverage types as the state plan. Plans are reviewed and approved by DEED.

Q: Can I switch from state plan to private plan mid-year?

A: Yes, but you must apply before the quarterly deadline. Your private plan will become effective at the start of the next quarter.

Q: What happens if my private plan is denied?

A: You'll continue on the state plan and must pay state premiums. You can reapply after addressing the deficiencies noted in the denial.

11. Compliance & Penalties

Q: What are the penalties for late premium payments?

A: Late payment penalties include 2% per month interest on unpaid premiums. Continued non-payment may result in additional penalties and collection actions.

Q: What are the penalties for not providing employee notices?

A: Failure to provide required notices can result in civil penalties up to \$1,000 per violation.

Q: What are the penalties for retaliation?

A: Employers who retaliate against employees for taking PFML leave can face civil penalties, back pay awards, and reinstatement orders.

Q: How long must I keep PFML records?

A: Maintain records of premium payments, employee notices, and leave requests for at least 3 years.

Q: Where can I get help with PFML compliance?

A: Contact Minnesota DEED at 651-296-3644 or visit mn.gov/pfml. Free employer resources are also available at Navitize.com.

12. Common Mistakes to Avoid

Q: What are the most common PFML compliance mistakes?

A: The top mistakes include: (1) Missing premium payment deadlines, (2) Failing to provide required employee notices, (3) Not registering out-of-state remote workers, (4) Incorrectly calculating the 50% work location rule, and (5) Retaliating against employees who request leave.

Q: What happens if I forget to withhold PFML premiums from employees?

A: You're still responsible for paying the full premium to the state. You may be able to recoup missed employee deductions from future paychecks, but there are limits. It's better to set up withholding correctly from the start.

Q: Can I require employees to use PTO before PFML?

A: You can allow employees to use PTO during the 7-day waiting period, but you cannot require them to exhaust all PTO before using PFML benefits. Employees have the right to choose.

Q: What if I miscalculate an employee's work location percentage?

A: Document your calculation methodology and correct it going forward. If you've been paying premiums to the wrong state, work with both states to resolve. Maintain records showing how you determined each employee's primary work location.

Q: Is it a mistake to not have a written PFML policy?

A: While not legally required, not having a written policy is a mistake. A clear policy helps ensure consistent treatment, reduces confusion, and protects your organization in disputes.

Q: What's the mistake with treating PFML like FMLA?

A: PFML and FMLA have different eligibility rules, coverage, and protections. Assuming they're identical can lead to compliance issues. For example, PFML has no employer size threshold, while FMLA only applies to employers with 50+ employees.

Q: Should I require medical certification for all PFML requests?

A: You can request certification for medical leave, but be careful not to create unnecessary barriers. Overly burdensome certification requirements can be seen as interference with PFML rights.

Q: What's wrong with denying intermittent leave requests?

A: Employees have the right to take PFML intermittently when medically necessary. Blanket denials of intermittent leave violate PFML requirements. Work with employees to find schedules that meet both needs.

